Wave 1 Solution Walkthrough (SWT): Procurement

## for Wave 2 Departments

April 16, 2014

Agenda

- **FI$Cal Project Overview**
- **Wave 1 Solution Walkthrough Objectives and Approach**
- **FI$Cal Solution Overview**
- **Create and Approve Requisitions**
  - □ Key Terms
  - □ Business Process Overview
  - □ Process Flows
  - □ Wave 1 Demonstration
- **Manage Purchase Orders**
- **Process Procurement Card Transactions**
- **Receive and Inspect Goods and Services**
- **Technology Considerations**
- **Session Recap**

FI$Cal Project Overview

- The Financial Information System for California (FI$Cal) is a business transformation project for the State in the areas of budgeting, accounting, procurement, and cash management. The Project prepares the State to work in an integrated financial management system.

- California's Partner Agencies are working together to form the partnership to support FI$Cal at the highest level:
  - ☐ Department of Finance (DOF)
  - ☐ Department of General Services (DGS)
  - ☐ State Controller's Office (SCO)
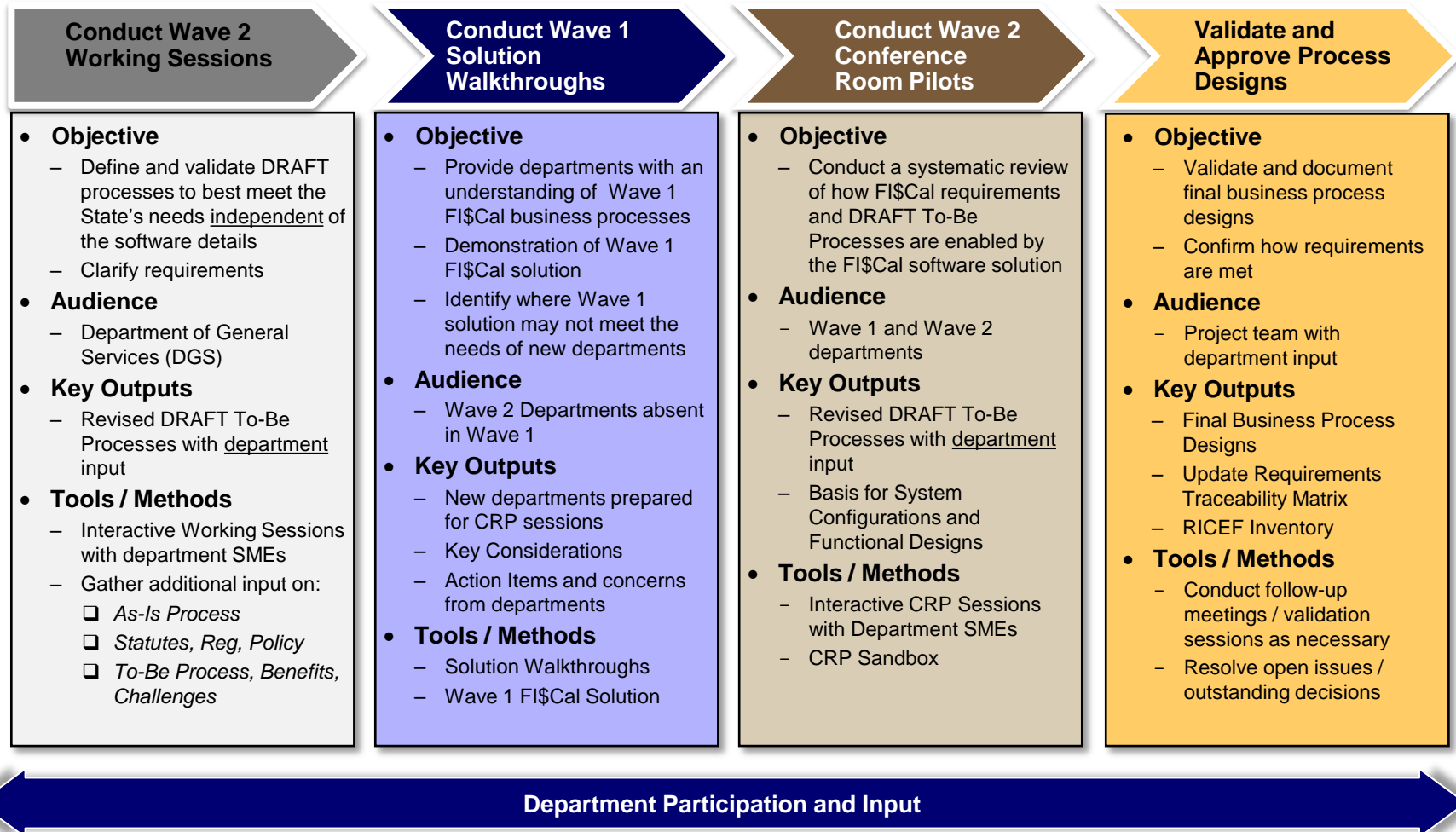 - ☐ State Treasurer's Office (STO)

FI$Cal Wave Timeline
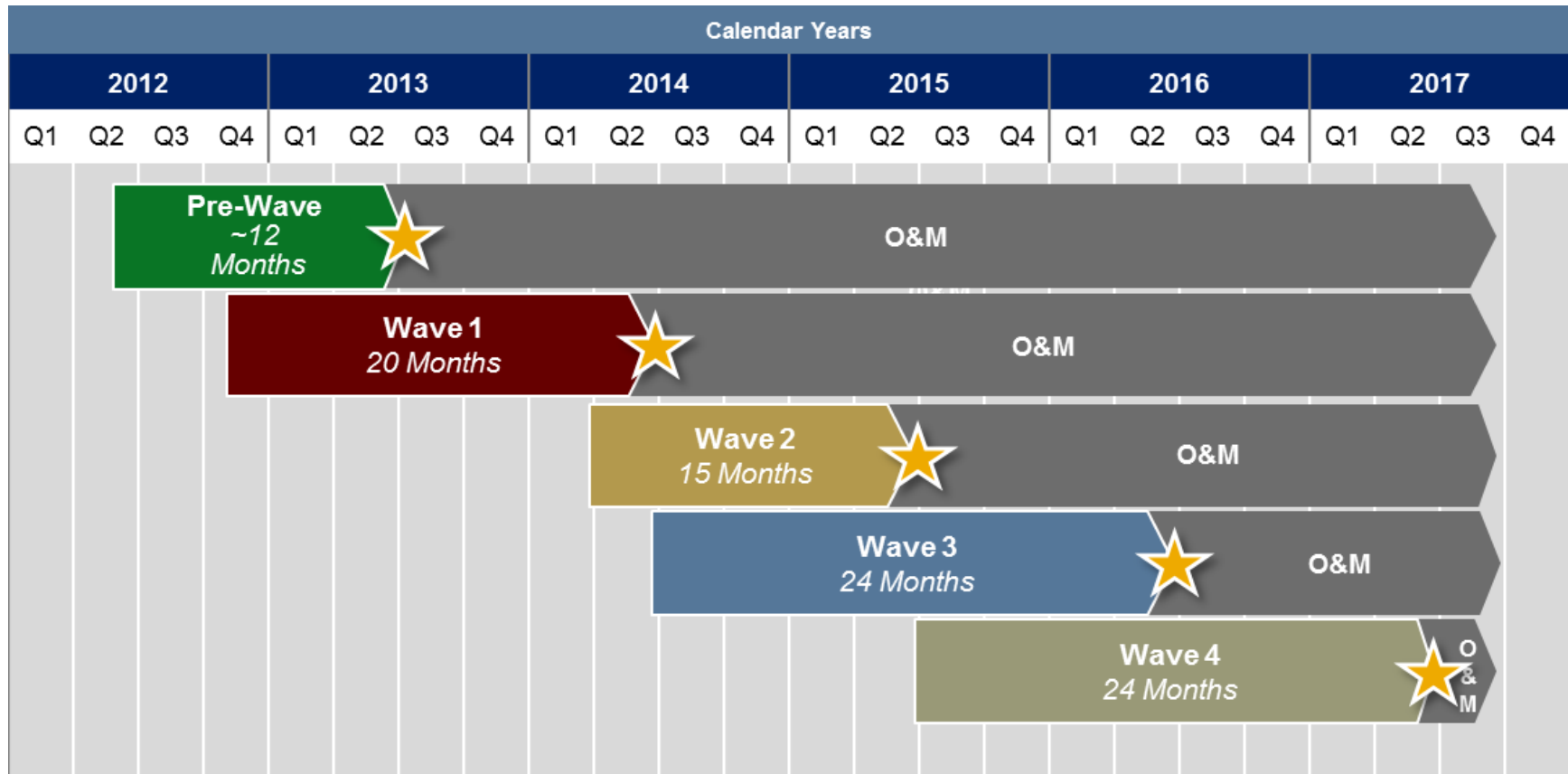
SWT Objectives

- The Wave 1 Solution Walkthroughs will provide:
  - ☐ An overview of the business process, including key terms and implemented functionality
  - ☐ A list of changes with the "To-Be" business process
  - ☐ An opportunity to begin thinking about updates to internal department processes
  - ☐ A demonstration of the FI$Cal Wave 1 solution
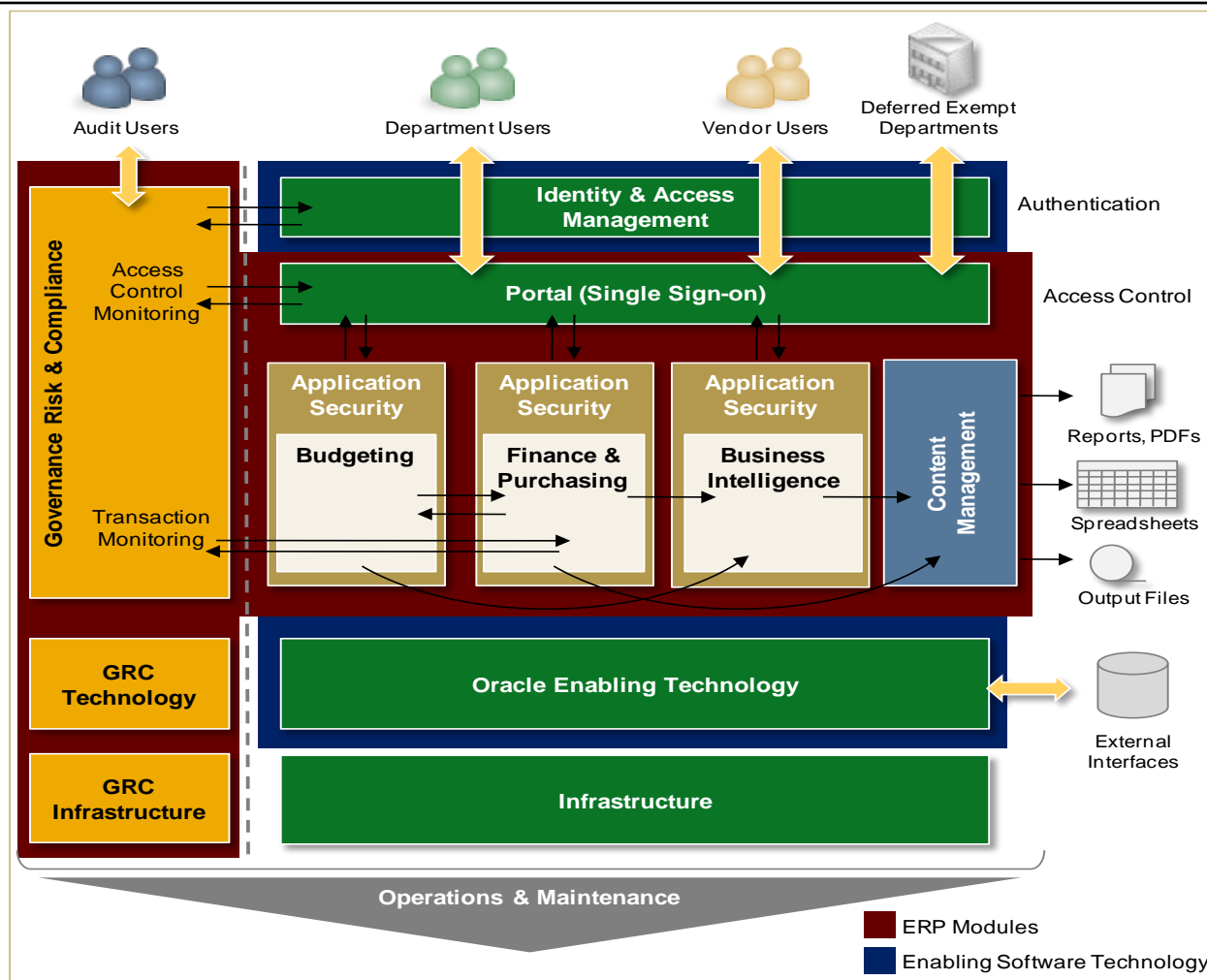
FI$Cal Design Approach

Conduct Wave 2 Working Sessions	Conduct Wave 1 Solution Walkthroughs	Conduct Wave 2 Conference Room Pilots	Validate and Approve Process Designs

Objective
– Define and validate DRAFT processes to best meet the State's needs independent of the software details
– Clarify requirements
 	
Audience
– Department of General Services (DGS)
 	
Key Outputs
– Revised DRAFT To-Be Processes with department input
 	
Tools / Methods
– Interactive Working Sessions with department SMEs
– Gather additional input on:
  ❑ *As-Is Process*
  ❑ *Statutes, Reg, Policy*
  ❑ *To-Be Process, Benefits, Challenges*
	Objective
	– Provide departments with an understanding of Wave 1 FI$Cal business processes
	– Demonstration of Wave 1 FI$Cal solution
	– Identify where Wave 1 solution may not meet the needs of new departments
	
	Audience
	– Wave 2 Departments absent in Wave 1
	
	Key Outputs
	– New departments prepared for CRP sessions
	– Key Considerations
	– Action Items and concerns from departments
	
	Tools / Methods
	– Solution Walkthroughs
	– Wave 1 FI$Cal Solution
		Objective
		– Conduct a systematic review of how FI$Cal requirements and DRAFT To-Be Processes are enabled by the FI$Cal software solution
		
		Audience
		– Wave 1 and Wave 2 departments
		
		Key Outputs
		– Revised DRAFT To-Be Processes with department input
		– Basis for System Configurations and Functional Designs
		
		Tools / Methods
		– Interactive CRP Sessions with Department SMEs
		– CRP Sandbox
			Objective
			– Validate and document final business process designs
			– Confirm how requirements are met
			
			Audience
			– Project team with department input
			
			Key Outputs
			– Final Business Process Designs
			– Update Requirements Traceability Matrix
			– RICEF Inventory
			
			Tools / Methods
			– Conduct follow-up meetings / validation sessions as necessary
			– Resolve open issues / outstanding decisions

Department Participation and Input
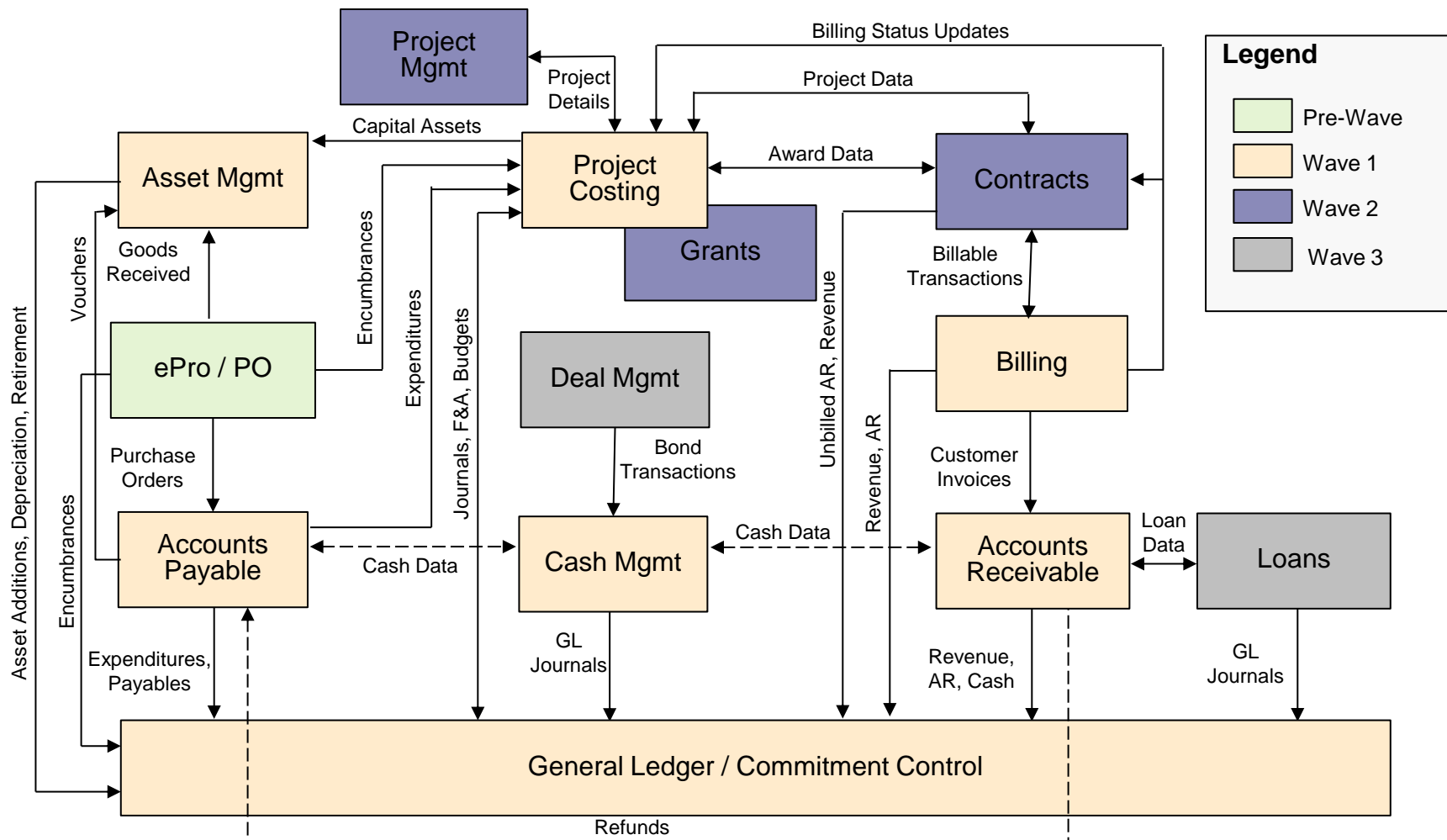
Ground Rules & Guiding Principles

- **Challenge** how the State does things today
- **Perspective** – Adopt a "Statewide" perspective
- **Silence is Consent** – Speak and share your thoughts
- **There are no Bad Questions** – Better to question, then assume
- **Consider Best Practices** and business process changes
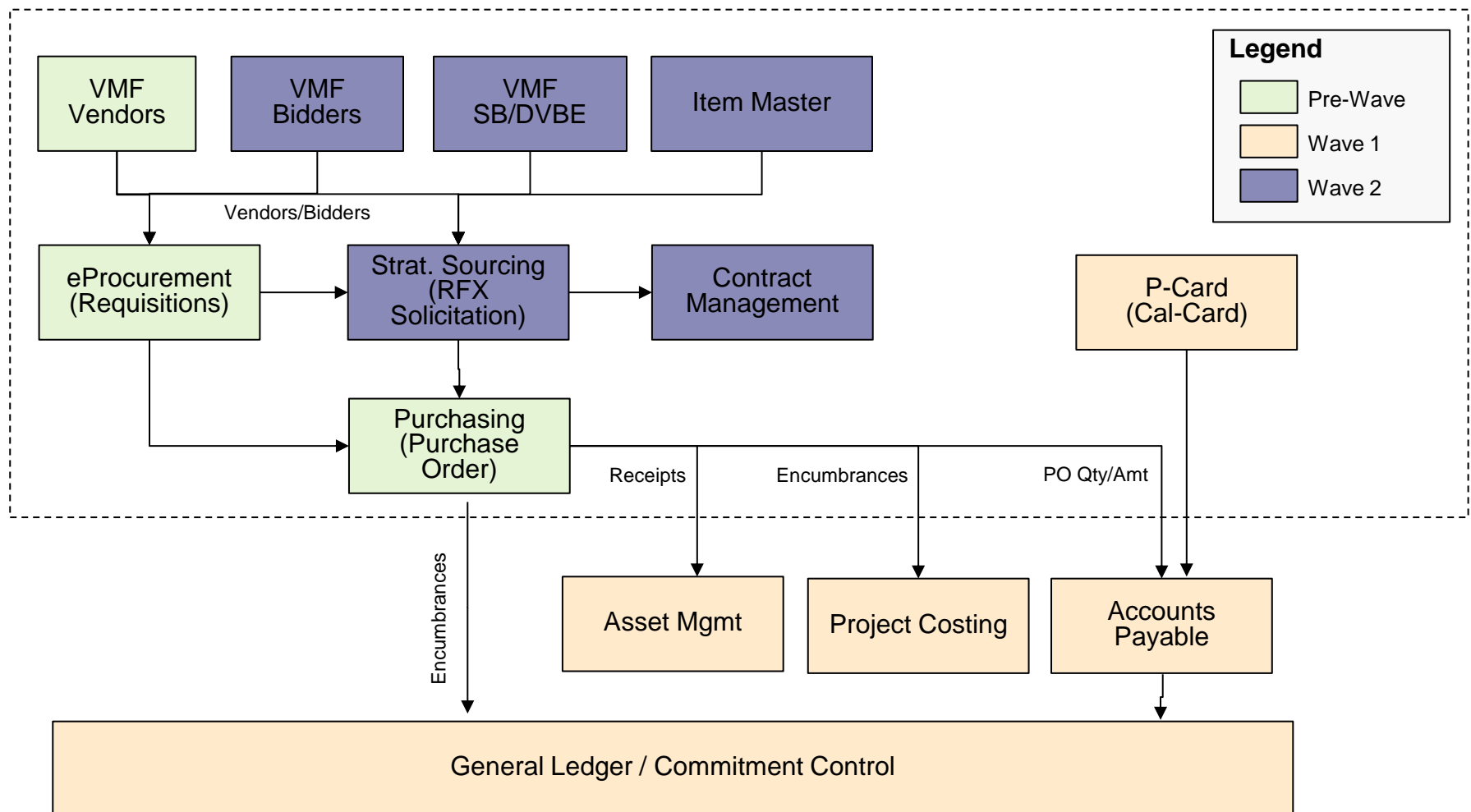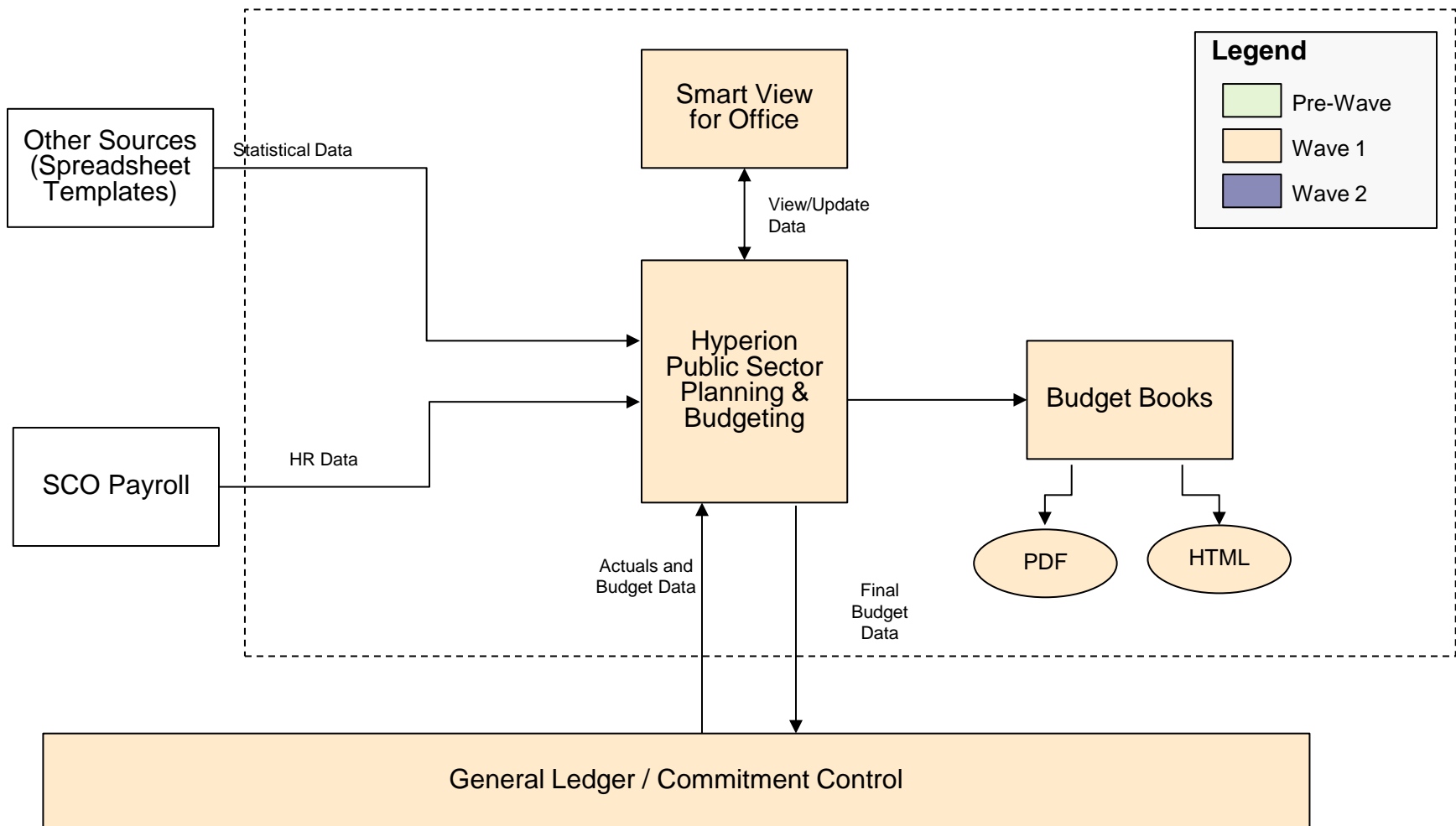- **Think of the data** and information you require

FI$Cal Solution Overview

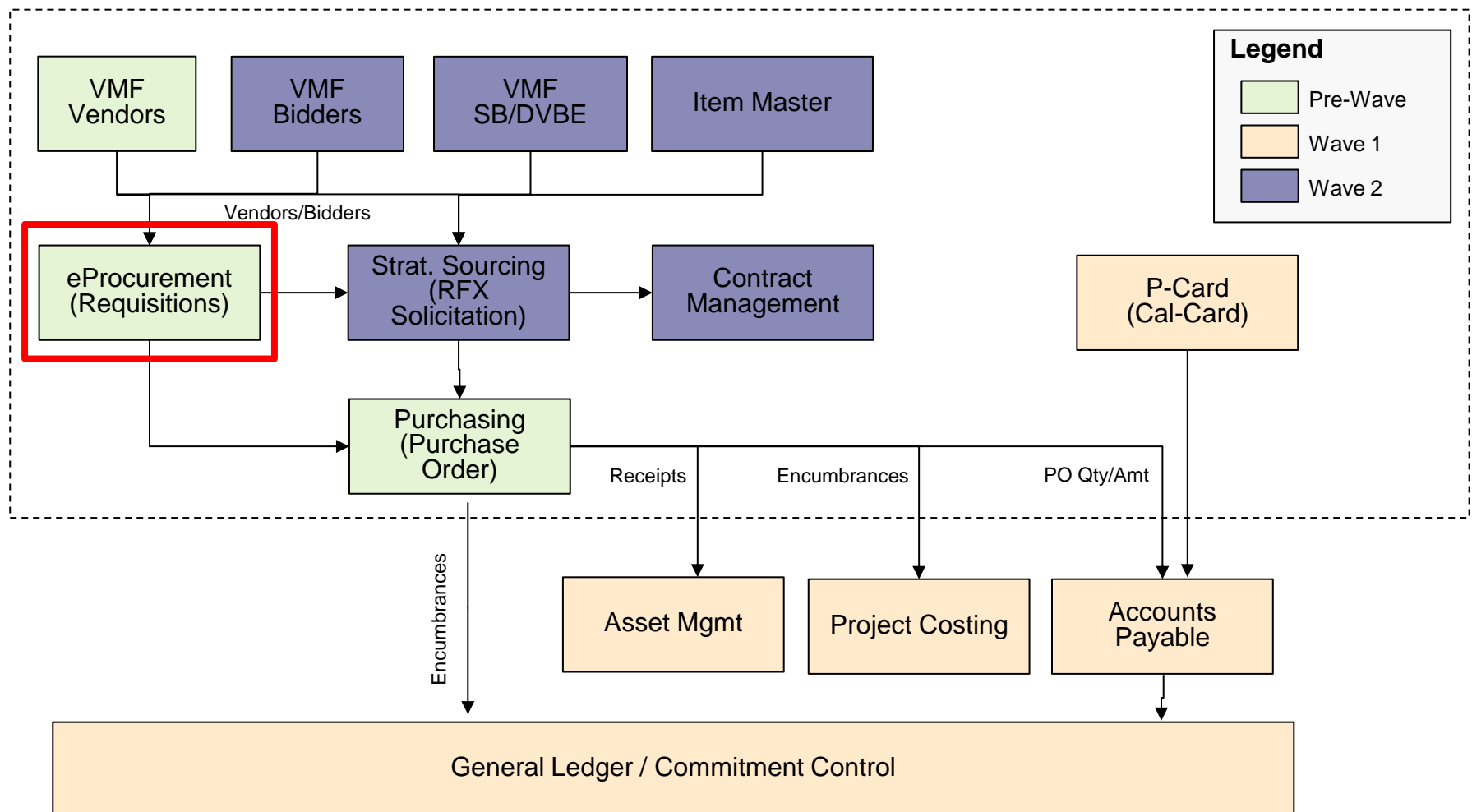# FI$Cal Accounting Solution

FI$Cal Procurement Solution

FI$Cal: Transparency. Accuracy. Integrity.

FI$Cal Budgeting Solution

Legend
- Pre-Wave
- Wave 1
- Wave 2

Other Sources (Spreadsheet Templates)

Statistical Data

Smart View for Office

View/Update Data

Hyperion Public Sector Planning & Budgeting

Budget Books

PDF

HTML

SCO Payroll

HR Data

Actuals and Budget Data

Final Budget Data

General Ledger / Commitment Control

Requisition Overview

- The **Create and Approve Requisition** process covers all activities related to a requisition starting with creation, approval, and budget check, and ending with creation of a Purchase Order (PO)

- This includes the following sub-processes:
    - **Apply for, Modify, or Renew Existing Purchase Authority**
    - **Create, Approve, and Maintain Requisition including Requisition Change Orders**

FI$Cal Procurement Solution

Legend
- Pre-Wave
- Wave 1
- Wave 2

VMF Vendors → eProcurement (Requisitions)

VMF Bidders, VMF SB/DVBE, Item Master — Vendors/Bidders

eProcurement (Requisitions) → Strat. Sourcing (RFX Solicitation) → Contract Management

P-Card (Cal-Card)

Strat. Sourcing (RFX Solicitation) → Purchasing (Purchase Order)

eProcurement (Requisitions) → Purchasing (Purchase Order)

Purchasing (Purchase Order) — Receipts, Encumbrances, PO Qty/Amt, Encumbrances

Asset Mgmt

Project Costing

Accounts Payable

General Ledger / Commitment Control

Requisition Data Hierarchy
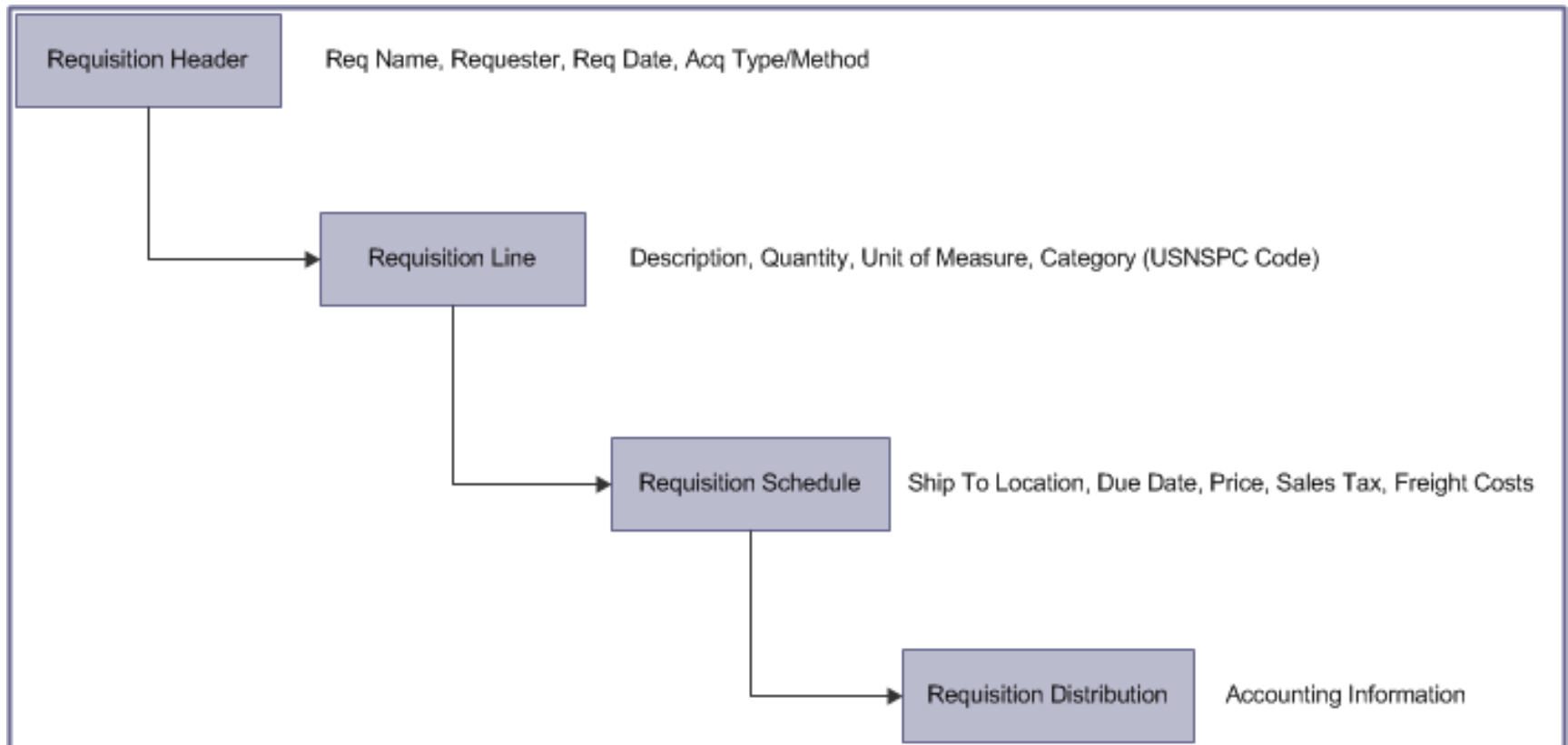
Requisition Header — Req Name, Requester, Req Date, Acq Type/Method

Requisition Line — Description, Quantity, Unit of Measure, Category (USNSPC Code)

Requisition Schedule — Ship To Location, Due Date, Price, Sales Tax, Freight Costs

Requisition Distribution — Accounting Information

Requisition Key Terms

Term	Definition
Header	General information pertaining to the entire requisition. This includes data such as Business Unit, Requester, and Currency Code. Informational fields include requisition status and whether the requisition has been approved and budget checked.
Lines	Item description, Unit of Measure (UOM), Category, and Quantity for each item on the requisition
Schedule	Due date, Ship-to address, and Unit Price are stored on the requisition for each item line
Distribution	Accounting information (the General Ledger ChartField string) is entered. The ChartField string includes Account, Fund, Department ID, Class, Program, and Project.

Requisition Key Terms

Term	Definition
Business Unit	An organizational entity that has a balanced set of books and by which General Ledger (GL) reports and processing can be segregated. In FI$Cal, a GL Business Unit will be defined for each Organization Code ("Org") that receives appropriations.
ChartField	An accounting classification segment (for example, Fund or Program)
Budget Check/ Pre-encumbrance/ Commitment Control	The process of budgetary accounting which enables the tracking or controlling of expenses against budgets, and revenues against estimates
Reporting Structure	An agency defined ChartField that identifies the organizational entity associated with a transaction. Similar in purpose to the UCM Organization Code at Level 2 and below

Requisition Key Terms

Term	Definition
Procurement Contracting Officer (PCO)	Single point of contact for DGS/Procurement Division (PD) on procurement matters. Responsible for all procurement and contracting within the department. Responsible and directly accountable for the department's purchasing authority.
Purchasing Authority Contact (PAC)	Interfaces and communicates with the DGS/PD, the PCO, and subordinate staff. Oversees day-to-day procurement activities conducted under the purchasing authority.
Ad Hoc Approver	Approvers or reviewers that are added to the standard approval process. Inserted Ad Hoc approvers apply only to the current requisition or PO being approved.

Requisition Key Terms

Term	Definition
Acquisition Type	State purchasing activities divided into categories: Non-IT Goods, Non-IT Services, and IT Goods and Services, Encumbrance Only
Acquisition Method	Method of procurement including, but not limited to: ■ Competitive ■ Non-competitive bids (NCB) ■ Solicitation through Small Business/Disabled Veteran Business Enterprise (SB/DVBE) ■ Leveraged Procurement Agreements (LPA) ■ Emergency
United Nations Standard Products and Services Code (UNSPSC)	Code used to classify goods and/or services in FI$Cal. Should be entered during the reconciliation process

What is included in Requisitions for Wave 1

- Requisitions will be created in FI$Cal

- New Chart of Accounts (COA) will be deployed

- Funding information will be validated and fund availability checked in FI$Cal

- Users will have the ability to assign an item as an asset when creating a requisition

- Acquisition Type and Method will be captured in requisitions

- State Agency Buy Recycled Campaign (SABRC) and Environmentally Preferable Purchasing (EPP) compliance information will be entered in FI$Cal

- The ability to enter and route a Purchasing Authority Application (PAA) to DGS will be introduced

Additional Requisition Functionality for Wave 2

- Additional Features in Requisitions for Wave 2
    - Punch-Out implementation with direct connect suppliers
    - Delegated Purchase Authority thresholds enforced in system
    - Automated PAA processing in FI$Cal after submission to DGS
- These features will not be part of the Wave 1 Solution Walkthrough

Pre Encumbrance/Encumbrance

| Pre Encumbrance (Requisitions) | → | Encumbrance (POs) | → | Expenditure (Vouchers) |
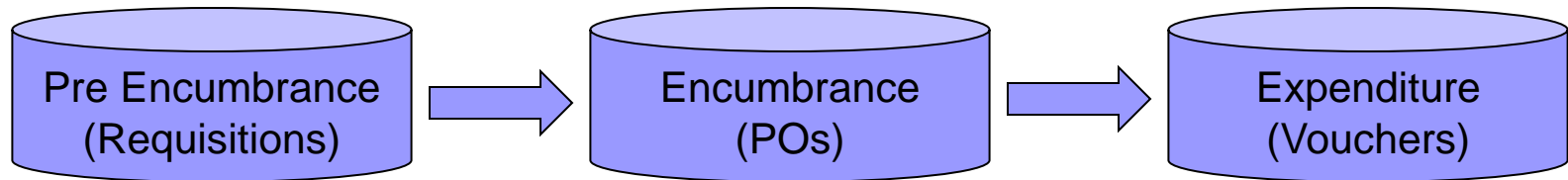
Budget: $1,000,000

       Expenses   400,000

       Encumbrance   500,000

       Pre Encumbrance   50,000*

Available Budget: $ 100,000

Purchasing Authority Application

Department	DGS PAA Reviewer	Outside FI$Cal
Complete Purchasing Authority Application	Receive Purchasing Authority Application	DGS Review

- Review application
- Route for approval
- PAC and PCO Approvals

- Receive application in FI$Cal
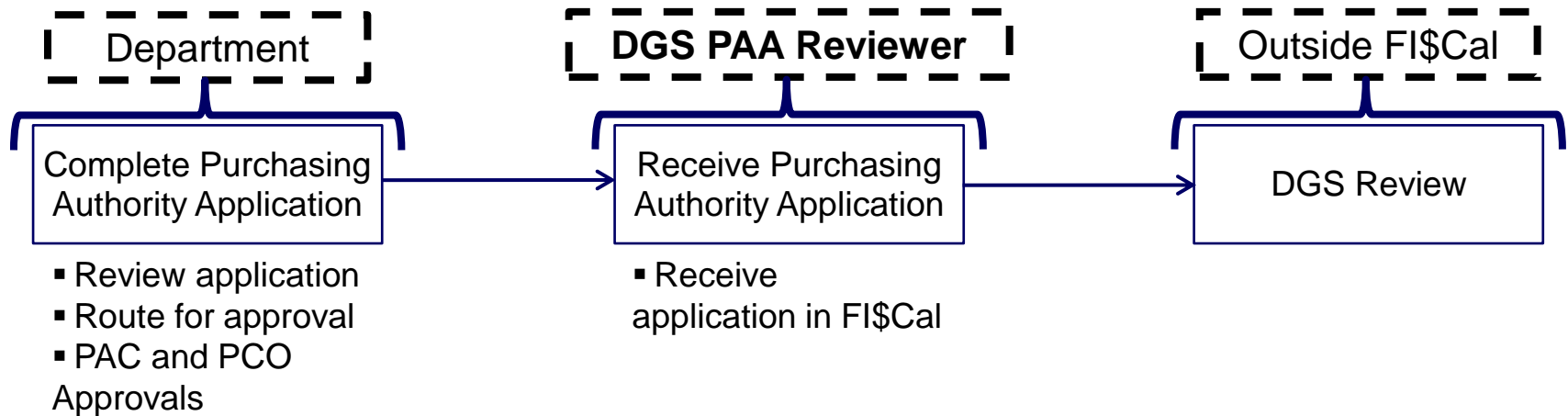
Key Impacts

- Purchase Authority Application will be submitted and routed in FI$Cal
- PAC/PCO Roles will be used to determine workflow routing
- DGS review of purchasing authorities will follow current offline process

Create and Approve Requisition

Dept. Req. Processor/Requester	Dept. Req. Approver	Dept. Buyer/PO Processor
Create/Populate Requisition	Approve Requisition	Process Requisition
▪ Identify need to procure goods and/or services	▪ Route for Approval ▪ 2-step approval plus ad hoc steps	▪ Either use department's purchasing authority or forward to DGS for processing
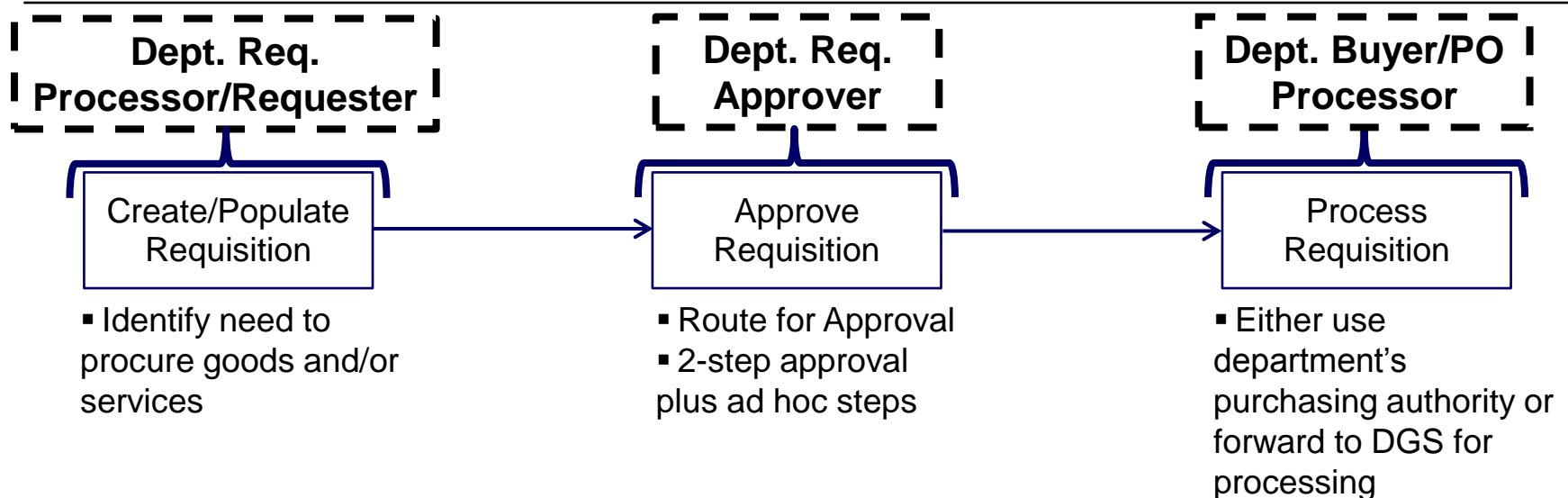
Key Impacts

- Acquisition type and reporting structure will be used to determine workflow routing
- Requisitions may include ad hoc departmental approvers as well as external (DGS) approvers

Workflow – Requisition
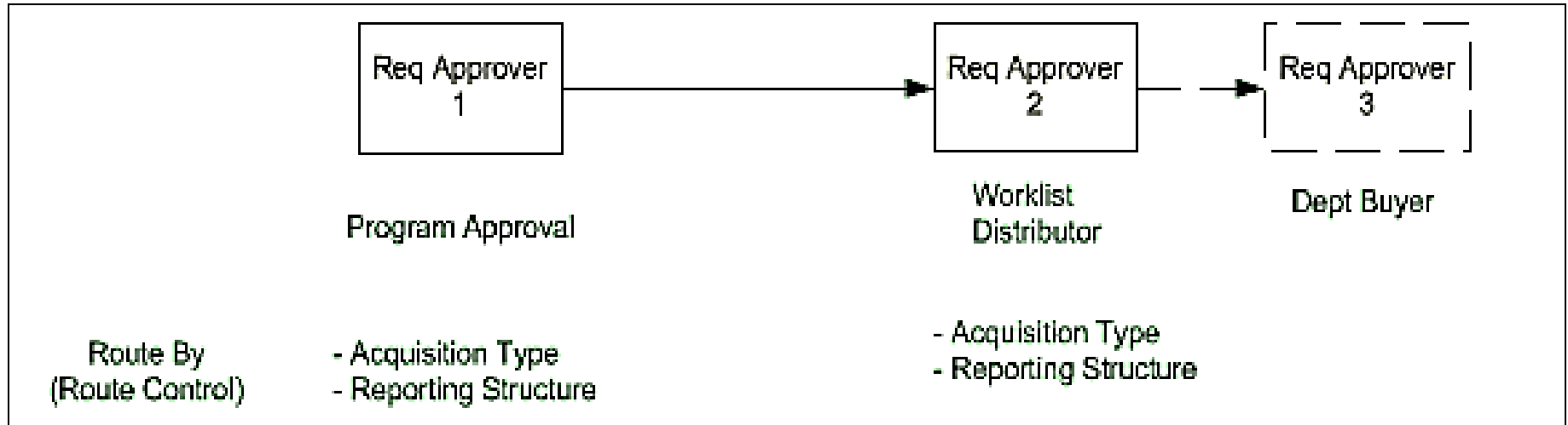

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┌──────────────┐                          ┌──────────────┐      ┌ ─ ─ ─ ─ ─ ─ ─┐
│ Req Approver │ ───────────────────────▶ │ Req Approver │ ──▶  │ Req Approver │
│      1       │                          │      2       │      │      3       │
└──────────────┘                          └──────────────┘      └ ─ ─ ─ ─ ─ ─ ─┘

                                            Worklist               Dept Buyer
  Program Approval                          Distributor


Route By              - Acquisition Type          - Acquisition Type
(Route Control)       - Reporting Structure        - Reporting Structure
```

- Additional approvals (dollar thresholds, commodity approvals, etc.) can be handled by inserting ad hoc approvers or reviewers

- Routing an approval to the Department Buyer is a manual step performed by the worklist distributor

  - Departments have the option to route directly to the buyer as well by assigning the Department Buyers the distributor role

Ad Hoc Workflow – Requisition
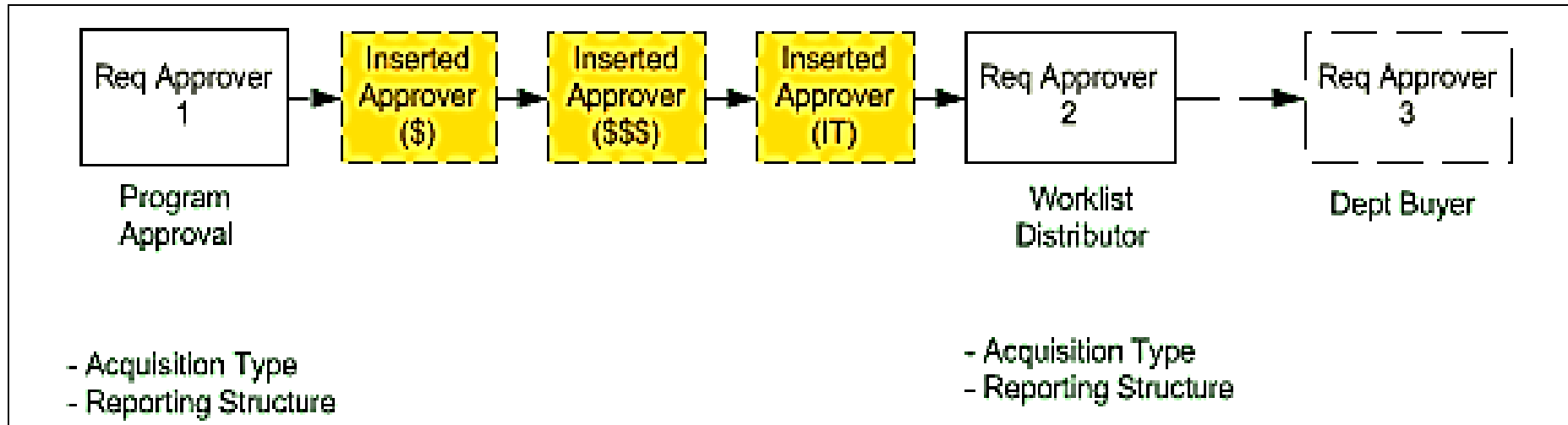
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- Routing an approval to the Department Buyer is a manual step performed by the worklist distributor
  - Departments have the option to route directly to the buyer as well by assigning the Department Buyers the distributor role

Apply, review and approve Purchasing Authority   / Purchasing Authority Increase   / renew

Department

A → Fill out purchasing authority application form

Start → Fill out purchasing authority application form → Non_IT PAC Approval → IT PAC Approval → PCO Approval

Wave 1

DGS

Receive Workflow Notification

Review/analyze PAA and approve/deny application → Application Approved?

No → FI$Cal Workflow notify department → A

Yes → Update FI$Cal Approval Configuration tables → Notify SCO of department's purchasing authority → Monitor department's corrections / responses to deficiencies → End

SCO

SCO view purchasing authority information in FI$Cal
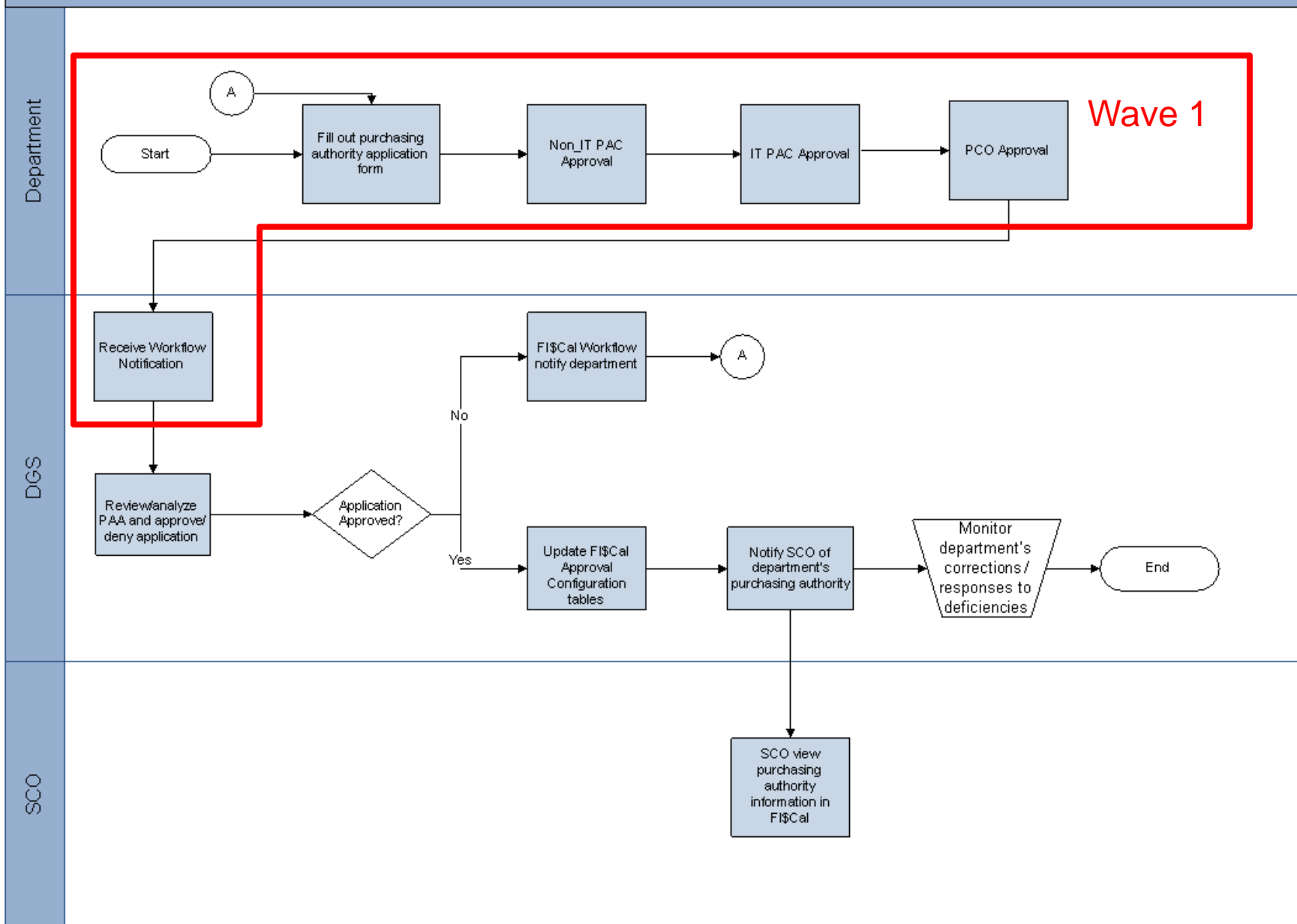
Create and Approve Requisition To-Be Process (Page 1)

Department Requestor

Department Identifies need for Procure Goods/Services → Create/ Update Requisition → System Check Chartfields Valid ? — Yes → Route Requisition for Department Approval

No (loops back to Create/ Update Requisition)

Department Approvers

FI$cal will default accounting data based on user setup

Approver 1 Program Approval → Approved?

No → (back to Create/ Update Requisition)

Yes → Approver 2 Worklist Distributor → Need Buyer Reassignment?

Department Buyer

Yes → Assign Buyer to Requisition → A

No → A

Department Buyer

- A
- Determine Acquisition Classification and method
- Within PD Purchasing Authority
  - Yes → Start Solicitation
  - No → Requisition Routed for DGS Approval
- PO 3 - Manage Solicitation
- PO 5 - Manage Purchase Order

DGS PD

- Perform Intake Analysis
- Assign Buyer to Requisition
- Engineering Review Required ?
  - No → Buyer Determines Acquisition Process
  - Yes → Engineering Review
- DGS take over Requisition ?
  - Yes → Buyer Start Solicitation
  - No
- PO 3 - Manage Solicitation
- PO 5 - Manage Purchase Order

Wave 1 Demonstration - Requisition

- Create Requisition
  - ☐ Special Request
  - ☐ Favorites
  - ☐ Copy from Existing Requisition
- Requisition Budget Check
- Requisition Approvals
- Manage Requisitions
  - ☐ Search for Requisitions
  - ☐ Cancel, Check Budget, Copy, Edit, Requisition Lifecycle, View Approvals, View Printable Version

Wave 1 Demonstration – Requisition Approval Process Map

Wave 1 Demonstration – Manage Requisitions

Manage Requisitions

▽ Search Requisitions

To locate requisitions, edit the criteria below and click the Search button.

Business Unit:	3980	Requisition Name:	
Requisition ID:		Request Status:	All but Complete ▼ Budget Status:
Date From:		Date To:	04/07/2014
Requester:	Z_DEPT_PO_REQUES	Entered By:	PO ID:

Search   Clear

Requisitions ⑦

To view the lifespan and line items for a requisition, click the Expand triangle icon: ▷
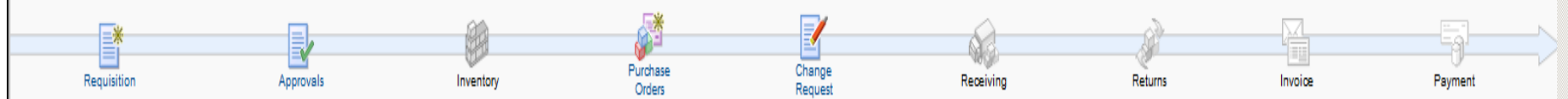
To edit or perform another action on a requisition, make a selection from the Action dropdown list and click Go.

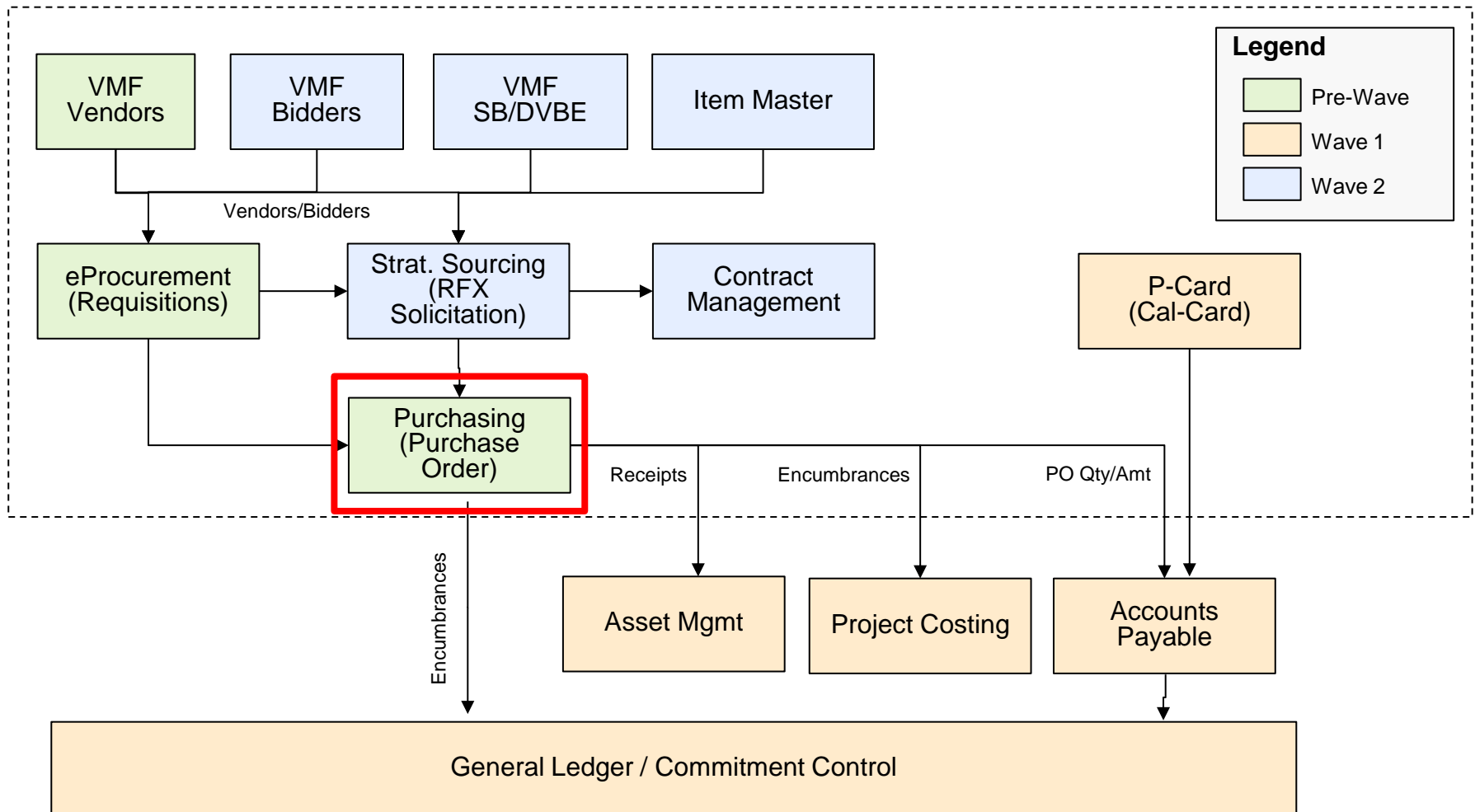|	Req ID	Requisition Name	BU	Date	Status		Budget	Acq Type	Acq Sub-Type
▷	0000000229	0000000229	3980	04/03/2014	Pending	Error		NON-IT	
▷	0000000228	0000000228	3980	04/03/2014	Pending	Valid		IT Goods	
▷	0000000227	0000000227	3980	03/28/2014	Pending	Valid		IT Goods	
▷	0000000226	New Office Supplies Mar...	3980	03/25/2014	Canceled	Not Chk'd		NON-IT Goods	
▷	0000000225	1000 laptops for DGS	3980	03/25/2014	Pending	Valid		IT Goods	
▷	0000000224	0000000224	3980	03/25/2014	Pending	Not Chk'd		IT Goods	

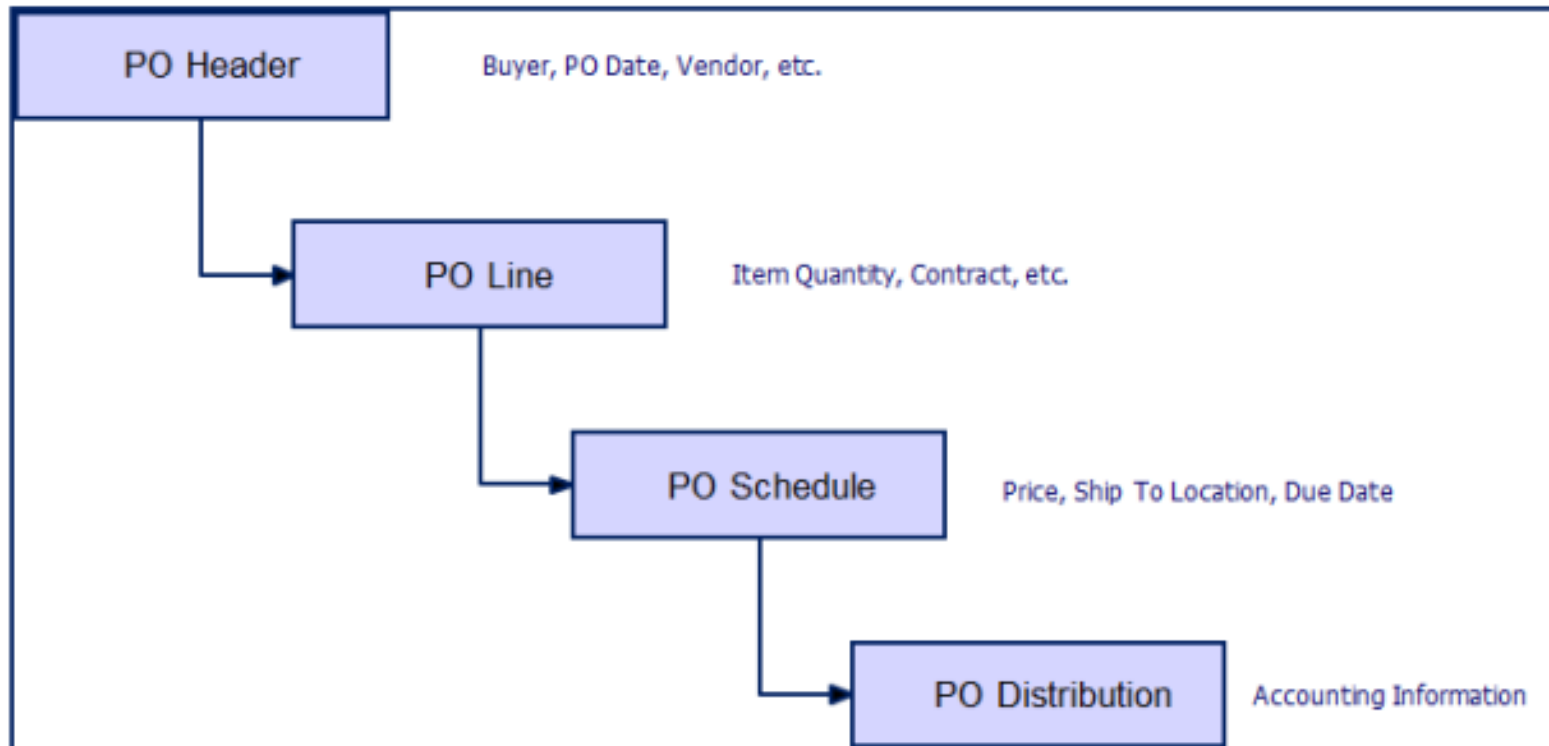# Wave 1 Demonstration – Requisition Lifecycle

Purchase Order Overview

- The **Manage Purchase Order** process is used to create purchase orders (POs) and change orders (amendments) for existing POs. This includes activities necessary to create POs, approve POs, budget check (encumbrance), and dispatch POs to support State/Department procurement activity

- This includes the following sub-processes:
  - ☐ **Create Purchase Orders**
  - ☐ **Approve Purchase Orders**
  - ☐ **Run Budget Check**
  - ☐ **Dispatch Purchase Orders**

FI$Cal Procurement Solution

Legend
- Pre-Wave
- Wave 1
- Wave 2

VMF Vendors

VMF Bidders

VMF SB/DVBE

Item Master

Vendors/Bidders

eProcurement (Requisitions)

Strat. Sourcing (RFX Solicitation)

Contract Management

P-Card (Cal-Card)

Purchasing (Purchase Order)

Receipts

Encumbrances

PO Qty/Amt

Encumbrances

Asset Mgmt

Project Costing

Accounts Payable

General Ledger / Commitment Control

Purchase Order Hierarchy

PO Header — Buyer, PO Date, Vendor, etc.

PO Line — Item Quantity, Contract, etc.

PO Schedule — Price, Ship To Location, Due Date

PO Distribution — Accounting Information

Purchase Order Key Terms

Term	Definition
Header	General information pertaining to the entire order. This includes the PO Date, Vendor, Buyer, PO Type, and PO Reference. The Buyer can also place the order on hold and initiate the approval and budget checking functions. Informational fields include order status and whether the order has been budget checked and dispatched.
Lines	Item description, Unit of Measure (UOM), Category, and Quantity for each item you are ordering
Schedule	Due Date, Ship-To Address, and Unit Price are stored on the requisition for each item line
Distribution	Accounting information (the GL ChartField string) is entered. The ChartField string includes Account, Fund, Reporting Structure, Program, Appropriation Reference, and Year of Enactment.

What is included in POs for Wave 1

- POs will be created, encumbered, approved, and dispatched in FI$Cal

- New Chart of Accounts will be deployed.

- Budget Check (encumbrance) including chartfield validation and checking of funds availability will be performed

- Users will have the ability to designate an item as an asset on the PO

- Email and print dispatch methods for POs will be configured

- The following information will be captured in POs:
  - □ SABRC Recycle and EPP categories
  - □ SB/DVBE participation for prime and subcontractors
  - □ Acquisition Type and Method
  - □ Upload of purchase order information to SCPRS

What is included in POs for Wave 1

- State Contract and Procurement Registration System (SCPRS) data entry will be handled through an upload from FI$Cal to BidSync

- DGS Billing Code is entered on the PO and sent as part of the SCPRS upload

Additional PO Functionality for Wave 2

- Additional PO Functionality to be Implemented in Wave 2
  - Direct PO Fax Dispatch
  - SB/DVBE information on the PO will be auto-populated from the certification module in FI$Cal
  - Contract information resides in FI$Cal
- These features will not be part of the Wave 1 Solution Walkthrough

Manage Purchase Order

Department Buyer/PO Processor		Dept. Approvers	Dept. Approver 2 (Accounting)	Dept. Buyer
Initiate PO	Populate PO	Approve PO	Run Budget Check	Dispatch PO
▪ Source PO from requisition ▪ Create new PO without requisition	▪ Add Line, Shipping, and Funding Information ▪ Add comments	▪ Workflow approval per department rules	▪ Review ChartFields ▪ Create encumbrance for PO ▪ Pass budget check or route to Budget Officer for resolution	▪ Print and manually mail/fax or automatically email to vendor

Key Impacts

- Only users with the role of Department Buyer or Department PO Processor are allowed to create POs
- Electronic routing and approvals for POs
- Automated budget check/encumbrance

Workflow – Purchase Order
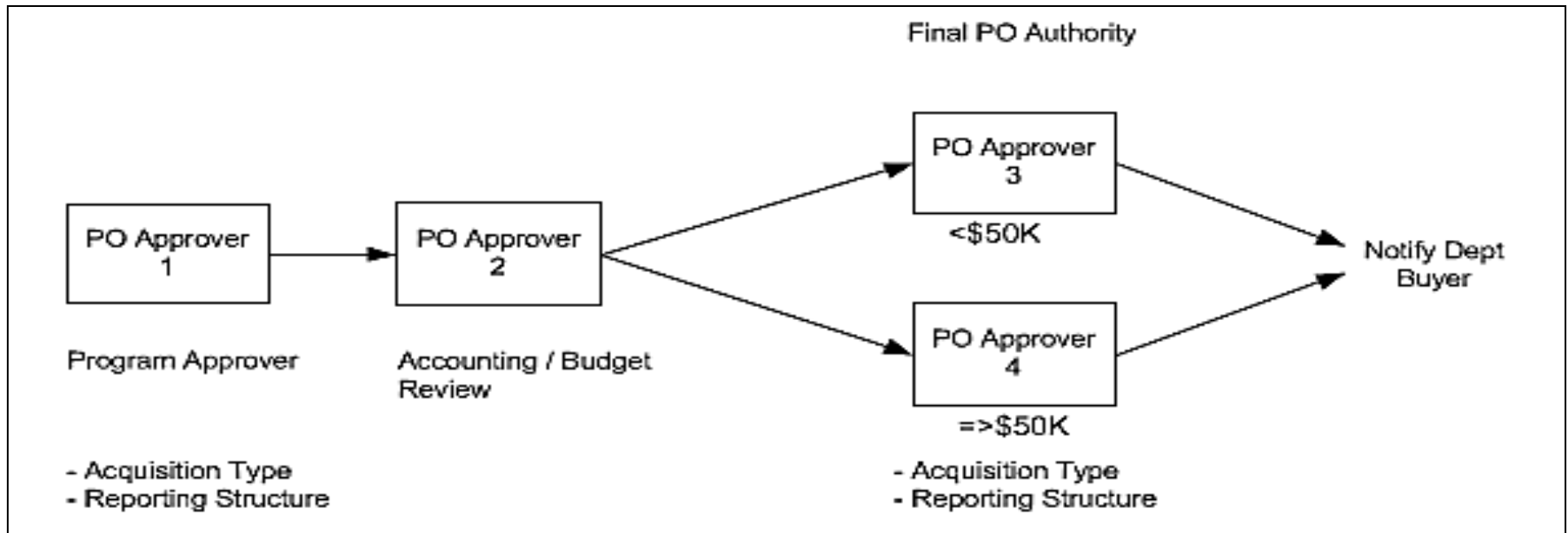
Final PO Authority

- Additional approvals (dollar thresholds, acquisition type approvals, etc.) will be handled by inserting ad hoc approvers or reviewers
- Either PO Approver 3 or 4 will approve, depending on the amount of the PO
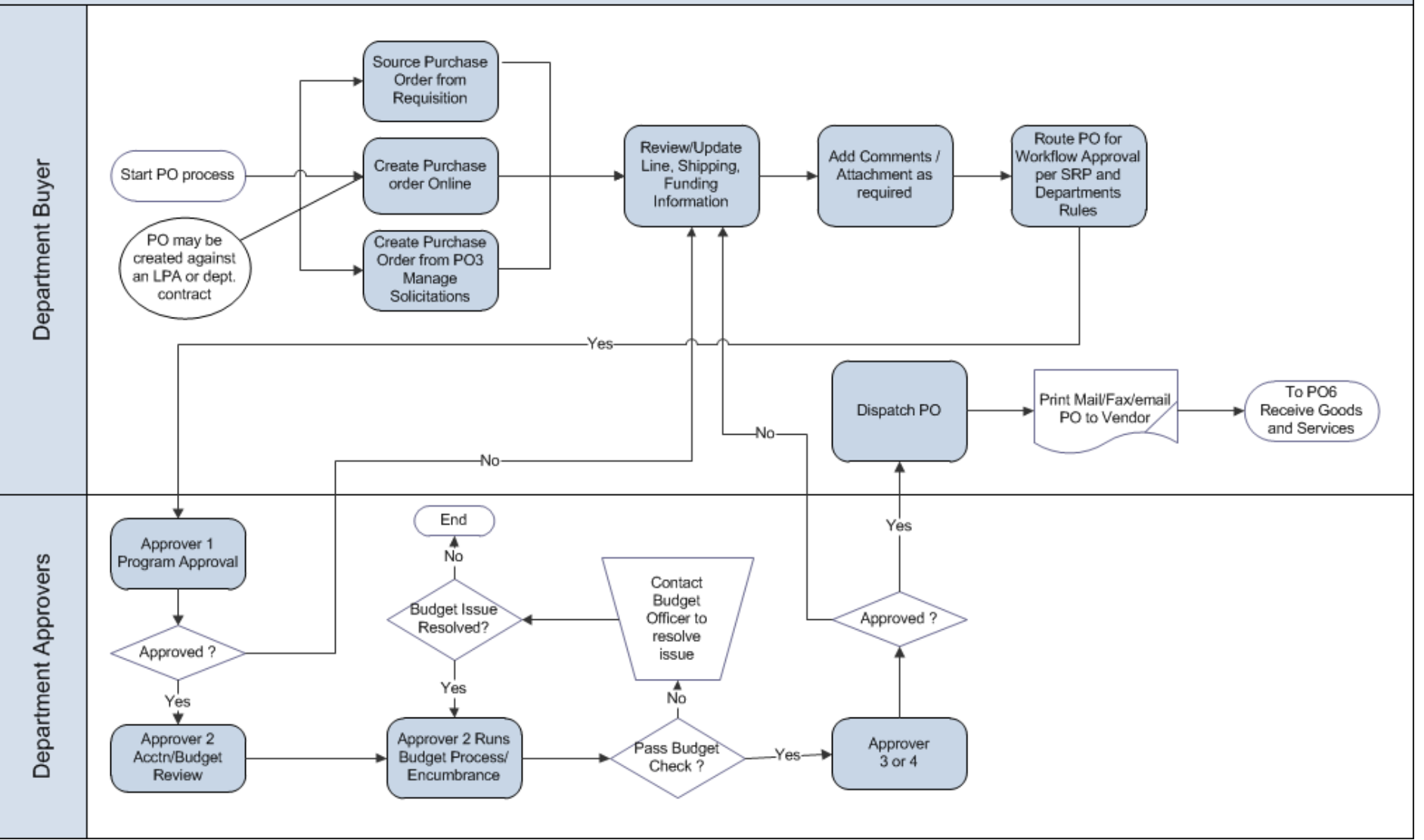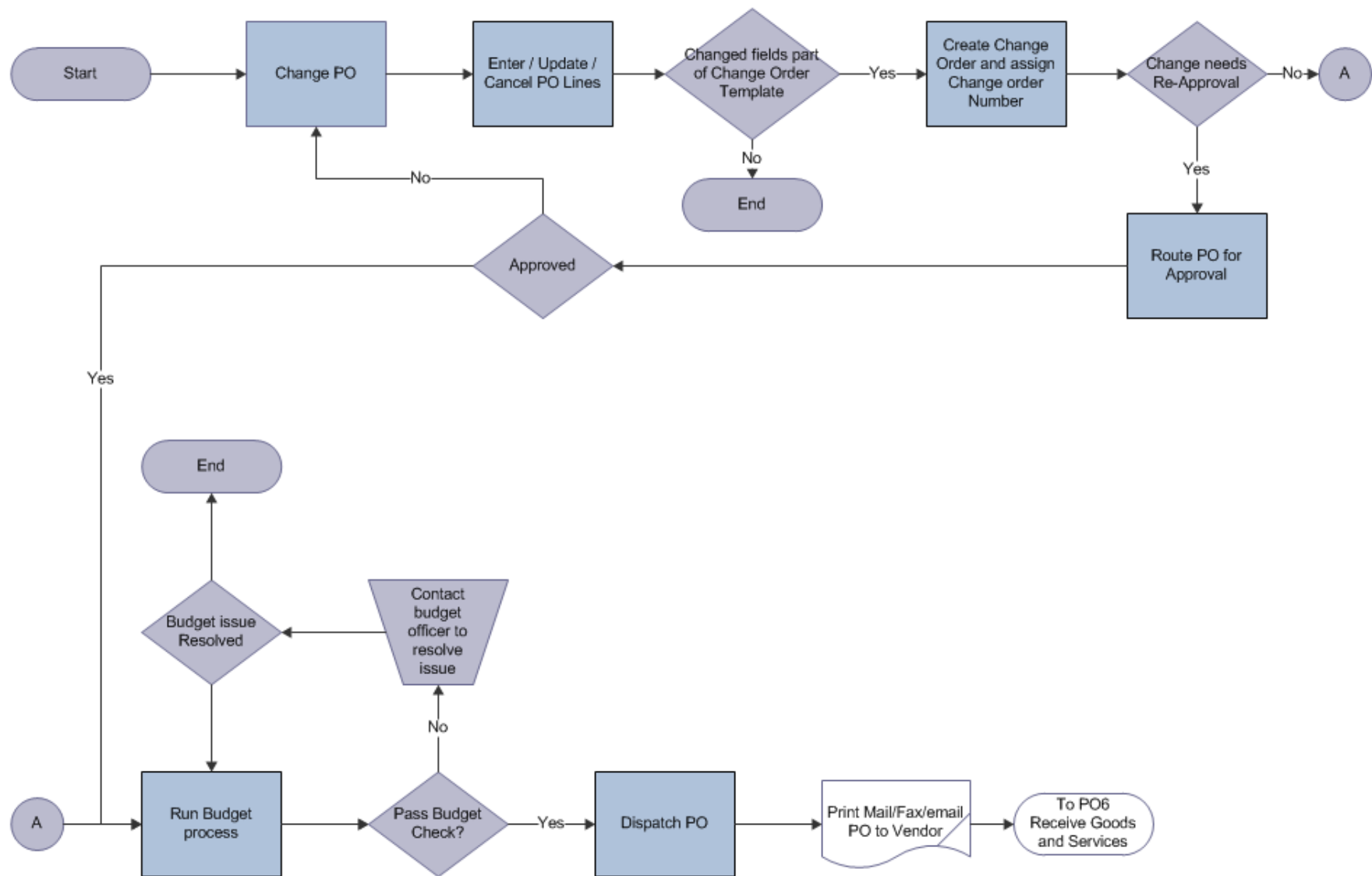
Ad Hoc Workflow – Purchase Order
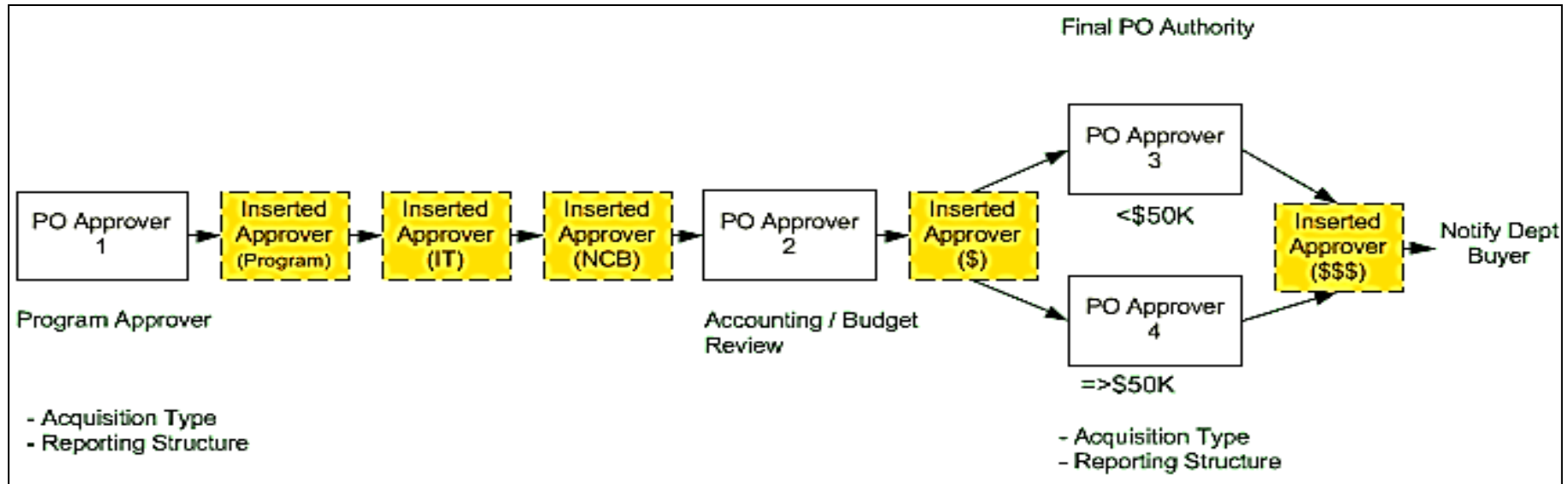
- Additional approvals (dollar thresholds, acquisition type approvals, etc.) will be handled by inserting ad hoc approvers or reviewers
- Either PO Approver 3 or 4 will approve, depending on the amount of the PO

Manage PO Change Order

Department Buyer	Department Approvers	Dept. Approver 2 (Accounting)	Department Buyer
Change PO	Approve PO (if needed)	Run Budget Check	Dispatch PO
• Enter/modify/ delete PO lines or update existing PO information, as needed • Add comments to explain changes, as needed	• Only if changes by the Buyer need re-approval as per defined approval rules	• Verify ChartFields • FI$Cal confirms adequate funds are available for the change request	• Print and manually mail/fax or automatically email to vendor

Key Impacts
- PO numbers remain the same following a Change Order because the revision number is incremented and tracked by FI$Cal
- When a Change Order is triggered, the PO may need to be re-approved

Manage Purchase Order

Department Buyer

Start PO process

PO may be created against an LPA or dept. contract

Source Purchase Order from Requisition

Create Purchase order Online

Create Purchase Order from PO3 Manage Solicitations

Review/Update Line, Shipping, Funding Information

Add Comments / Attachment as required

Route PO for Workflow Approval per SRP and Departments Rules

Yes

No

Dispatch PO

Print Mail/Fax/email PO to Vendor

To PO6 Receive Goods and Services

Department Approvers

Approver 1 Program Approval

Approved ?

Yes

No

Approver 2 Acctn/Budget Review

End

No

Budget Issue Resolved?

Yes

Contact Budget Officer to resolve issue

No

Approver 2 Runs Budget Process/ Encumbrance

Pass Budget Check ?

Yes

Approver 3 or 4

Approved ?

Yes

Manage PO Change Order

Department Buyer

Start → Change PO → Enter / Update / Cancel PO Lines → Changed fields part of Change Order Template

Changed fields part of Change Order Template — Yes → Create Change Order and assign Change order Number → Change needs Re-Approval — No → A

Changed fields part of Change Order Template — No → End

Change needs Re-Approval — Yes → Route PO for Approval → Approved

Approved — No → Change PO

Approved — Yes → Run Budget process

A → Run Budget process → Pass Budget Check?

Pass Budget Check? — No → Contact budget officer to resolve issue → Budget issue Resolved

Budget issue Resolved → End

Budget issue Resolved → Run Budget process

Pass Budget Check? — Yes → Dispatch PO → Print Mail/Fax/email PO to Vendor → To PO6 Receive Goods and Services

Wave 1 Demonstration - PO

- Create Purchase Order
- PO Approvals
- PO Budget Check / Encumbrance
- PO Dispatch
- PO Inquiries
    - Document Status
    - PO Activity Summary
- Direct PO Entry

Wave 1 Demonstration – PO Header and Line Page

Wave 1 Demonstration – PO Approval Process Map

View Approvals

Business Unit:	3980			
PO ID:	0000000612	View Printable Version	PO Status:	Dispatched
PO Total:	6,049.45 USD		PO Date:	04/07/2014
Vendor ID:	0000000002 STAPLES INC		Budget Status:	Valid
Buyer:	Z_DEPT_PO_BUYER		Justification:	

PO Reference:

Justification: *No justification entered by buyer.*

Edit PO

▶ Review Lines

▼ Review / Edit Approvers

Reporting Structure Approval 1

▽ Purchase Order 0000000612:Approved   View/Hide Comments

Reporting Structure Approval 1

Approved
✓ Z_DEPT_PO_APPR_A2_R2_1_1
PO Approver 1
04/07/14 - 5:36 AM

Skipped
Department Buyer
PO Approver 1
04/07/14 - 5:35 AM

Approved
✓ Z_DEPT_PO_APPR_A2_R2_2_1
PO Approver 2
04/07/14 - 5:37 AM

Approved
✓ Z_DEPT_PO_APPR_A2_R2_3_1
PO Approver 3
04/07/14 - 5:38 AM

▷ **Comments**

Return to Purchase Order

Wave 1 Demonstration – PO Document Status Inquiry

Document Status

Business Unit:	3980	**PO ID:**	0000000587
Document Date:	04/01/2014	**Status:**	Dispatched
Currency:	USD	**Document Type:**	Purchase Order
Buyer:	Department Buyer	**Merchandise Amt:**	18,300.00
		Budget Status:	Valid

Associated Document

Personalize | Find | View All | 🗗 | 🛗   First ◄ 1-3 of 3 ► Last

Documents | **Related Info**

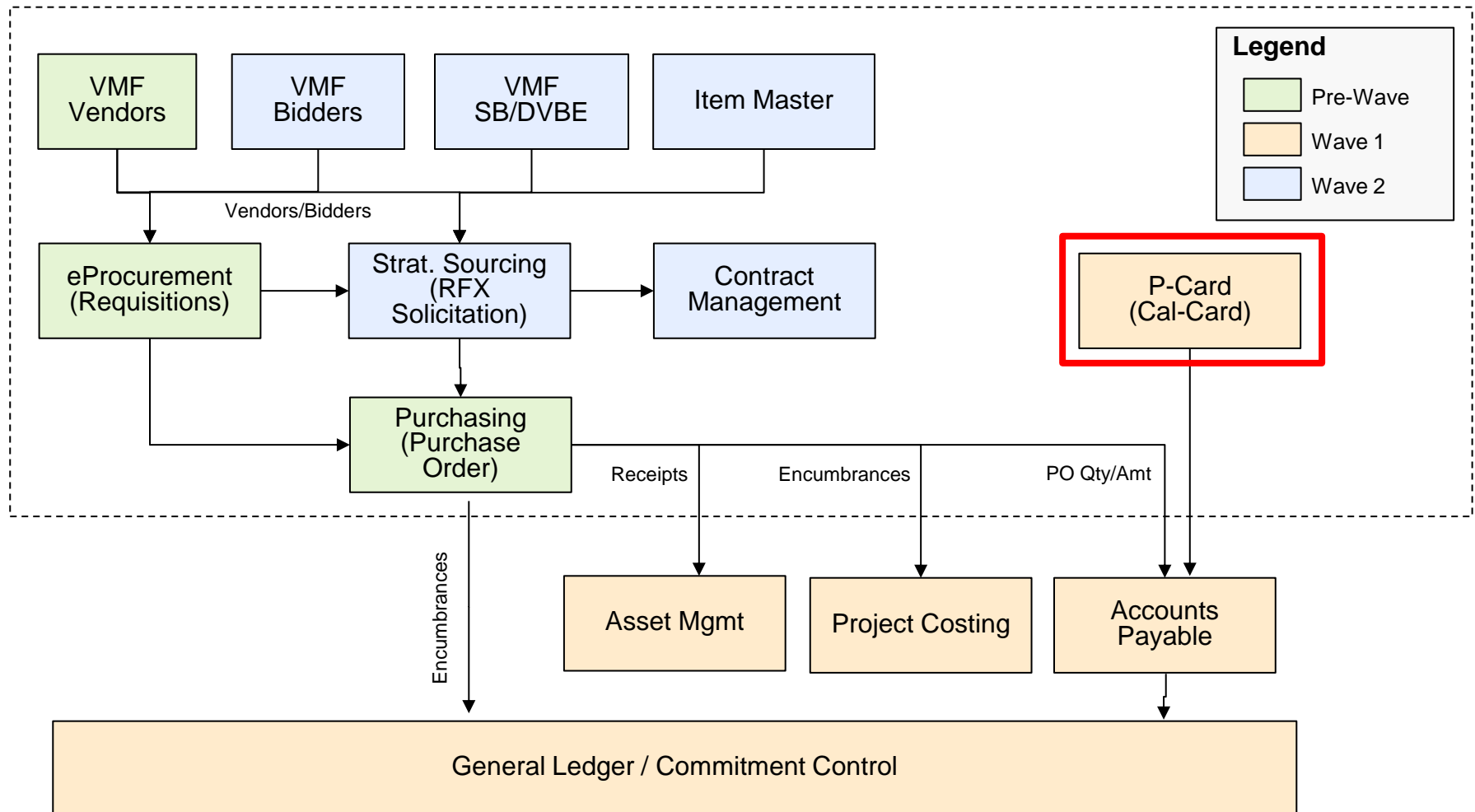| Business Unit	Document Type	DOC ID	Status	Document Date	Vendor ID	Location	
3980	Receipt	0000000125	Canceled	04/02/2014	0000000001	MAIN	
3980	Receipt	0000000126	Received	04/02/2014	0000000001	MAIN	
3980	Voucher	00000227	Posted	04/02/2014	0000000001	MAIN	

🔍 Return to Search   ⬆ Previous in List   ⬇ Next in List

Process P-Card Transactions Overview

- The Procurement Card (P-Card) Process includes:
  - Creating and administering cardholder profiles
  - Loading, reconciling, and approving P-Card transactions
  - Generating payments to the bank
- Transaction statements will be received from the bank electronically and loaded into FI$Cal. Reconciliation by cardholders/proxies is performed in FI$Cal.
- The following are the two main scenarios in which the P-Card is used (per State procurement rules):
  - Requisition/PO created prior to obtaining goods/services via P-Card
  - Directly at Merchant

FI$Cal Procurement Solution

Legend
- Pre-Wave (green)
- Wave 1 (orange)
- Wave 2 (blue)

VMF Vendors → VMF Bidders → VMF SB/DVBE → Item Master

Vendors/Bidders

eProcurement (Requisitions) → Strat. Sourcing (RFX Solicitation) → Contract Management

P-Card (Cal-Card)

Purchasing (Purchase Order)

Receipts — Encumbrances — PO Qty/Amt

Encumbrances

Asset Mgmt — Project Costing — Accounts Payable

General Ledger / Commitment Control

P-Card Key Terms

Term	Definition
P-Card	A payment mechanism (Visa payment card) that can be used in conjunction with a department's delegated purchasing authority. Referred to currently as CAL-Card. The P-Card procurement mechanism can be used with or without a PO, following State rules.
Lines	Individual transaction lines from the P-Card statement to be reconciled and approved within FI$Cal
Reconciliation	The task of checking validity of Bank P-Card charges, comparing and attaching scanned receipt, entering procurement information (UNSPSC code, vendor, etc.)
Proxy	A user designated to perform online reconciliation on behalf of a cardholder, and approve and/or review a cardholder's P-Card transactions

What is included in P-Cards for Wave 1

Full procurement card functionality will be deployed, including:

- P-Card billing statements interfaced into FI$Cal on a monthly cycle
- P-Card transaction reconciliation will be done online in FI$Cal
- Proxy users may be designated to reconcile, approve, or administer profiles on behalf of the cardholder
- Approved transactions will be picked up for payment processing
- If transactions are tied to a PO, the encumbrance is released upon budget check of the voucher payment

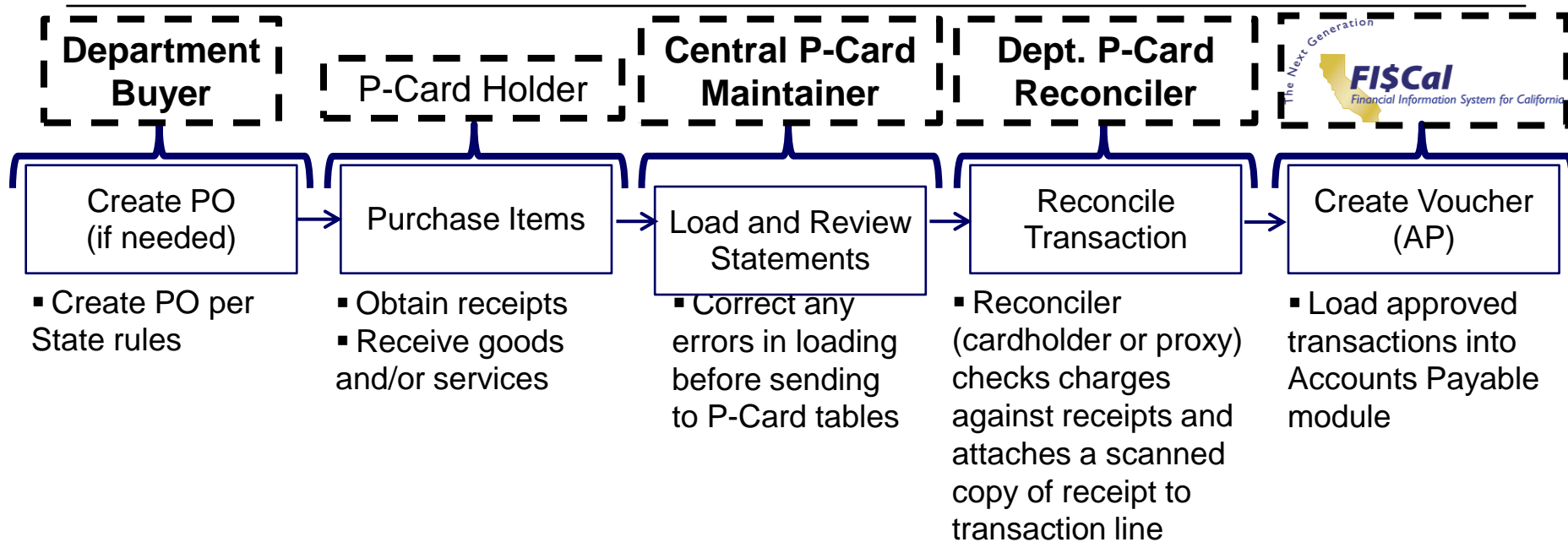# What is included in P-Cards for Wave 1

- Procurement information, such as UNSPSC, itemized line description, SB/DVBE, SABRC Recycle, and Acquisition Type and Method, will be entered during P-Card Reconciliation if PO was not created

- Automated notifications will be sent to cardholders/proxies when the bank statements are loaded and ready for reconciliation, and for unreconciled transactions after the deadline

Additional P-Card Functionality for Wave 2

- P-Card Functionality Deployed in Wave 2
  - Administration of P-Card accounts proposed to be decentralized to the departments
- This feature will not be part of the Wave 1 Solution Walkthrough
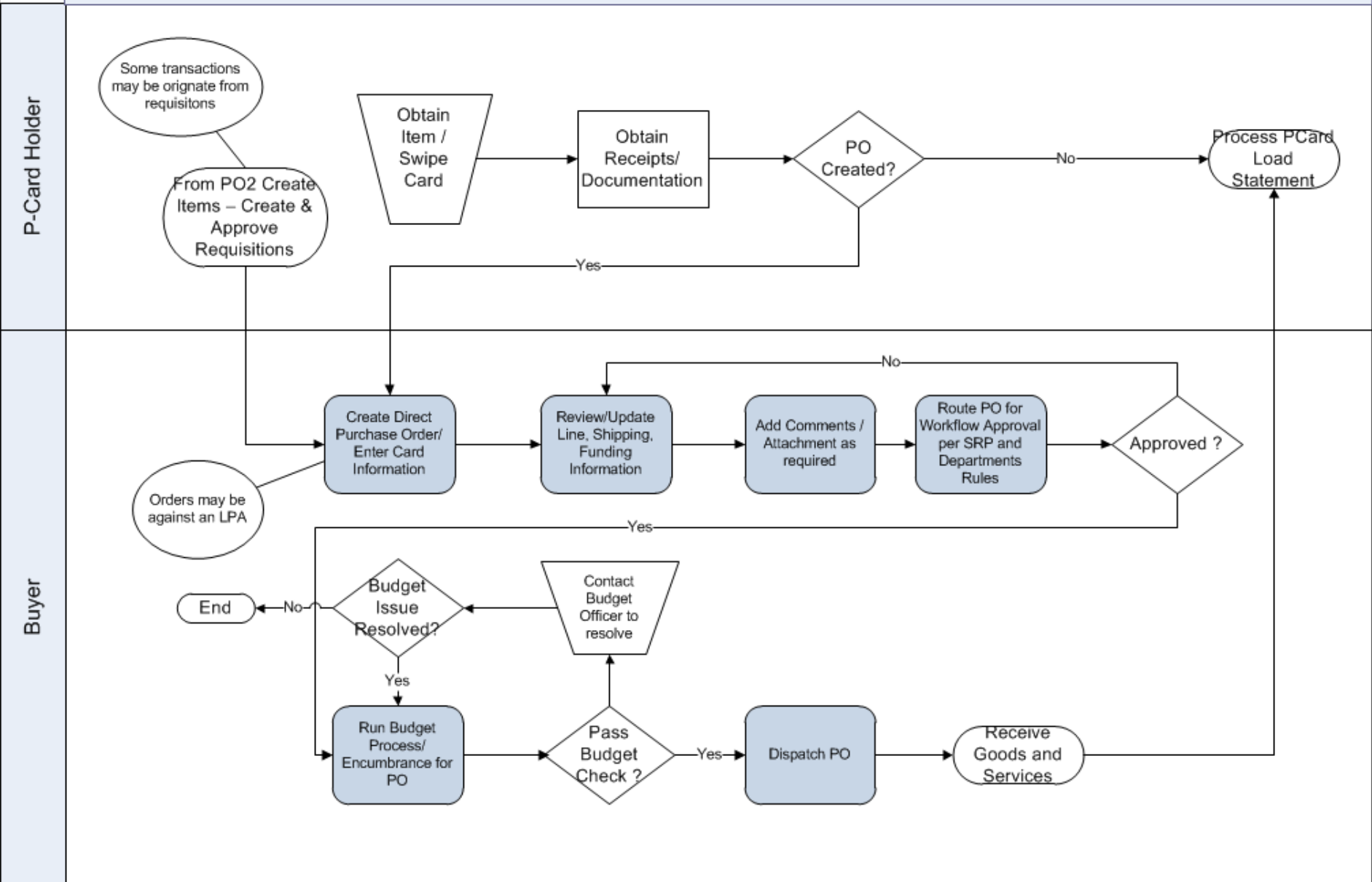
Process P-Card Transactions

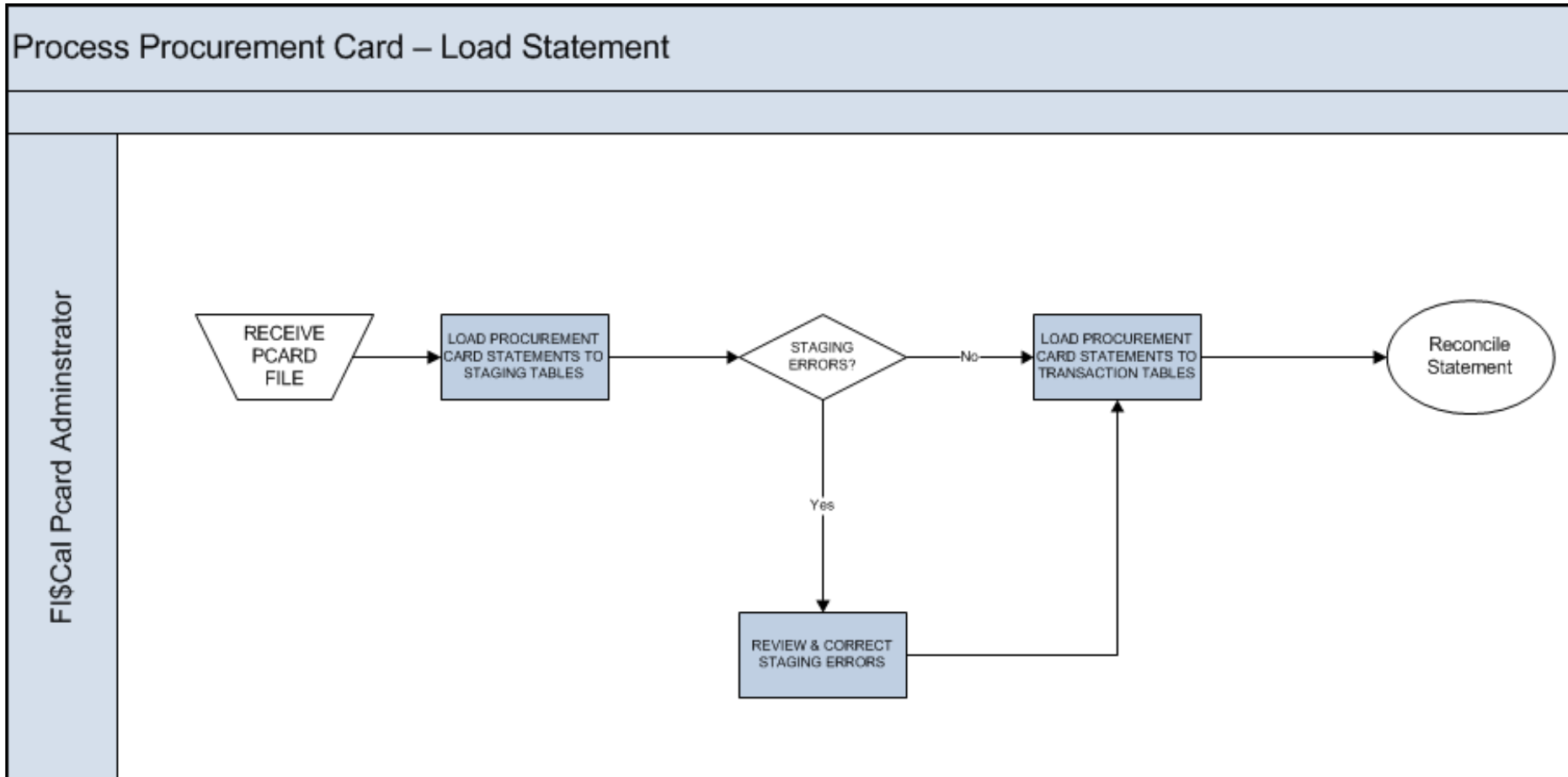| Department Buyer	P-Card Holder	Central P-Card Maintainer	Dept. P-Card Reconciler	FI$Cal Financial Information System for California
Create PO (if needed)	Purchase Items	Load and Review Statements	Reconcile Transaction	Create Voucher (AP)
▪ Create PO per State rules	▪ Obtain receipts ▪ Receive goods and/or services	▪ Correct any errors in loading before sending to P-Card tables	▪ Reconciler (cardholder or proxy) checks charges against receipts and attaches a scanned copy of receipt to transaction line	▪ Load approved transactions into Accounts Payable module

Key Impacts

- Bank Statements will be loaded and P-Card reconciliation will be performed in FI$Cal
- Reconciliation includes adding UNSPC code, acquisition method type, SABRC recycle, EPP compliance, and identifying the vendor (including SB/DVBE participation) if a PO was not created
- Reconciled and approved transactions are pushed to AP for payment processing
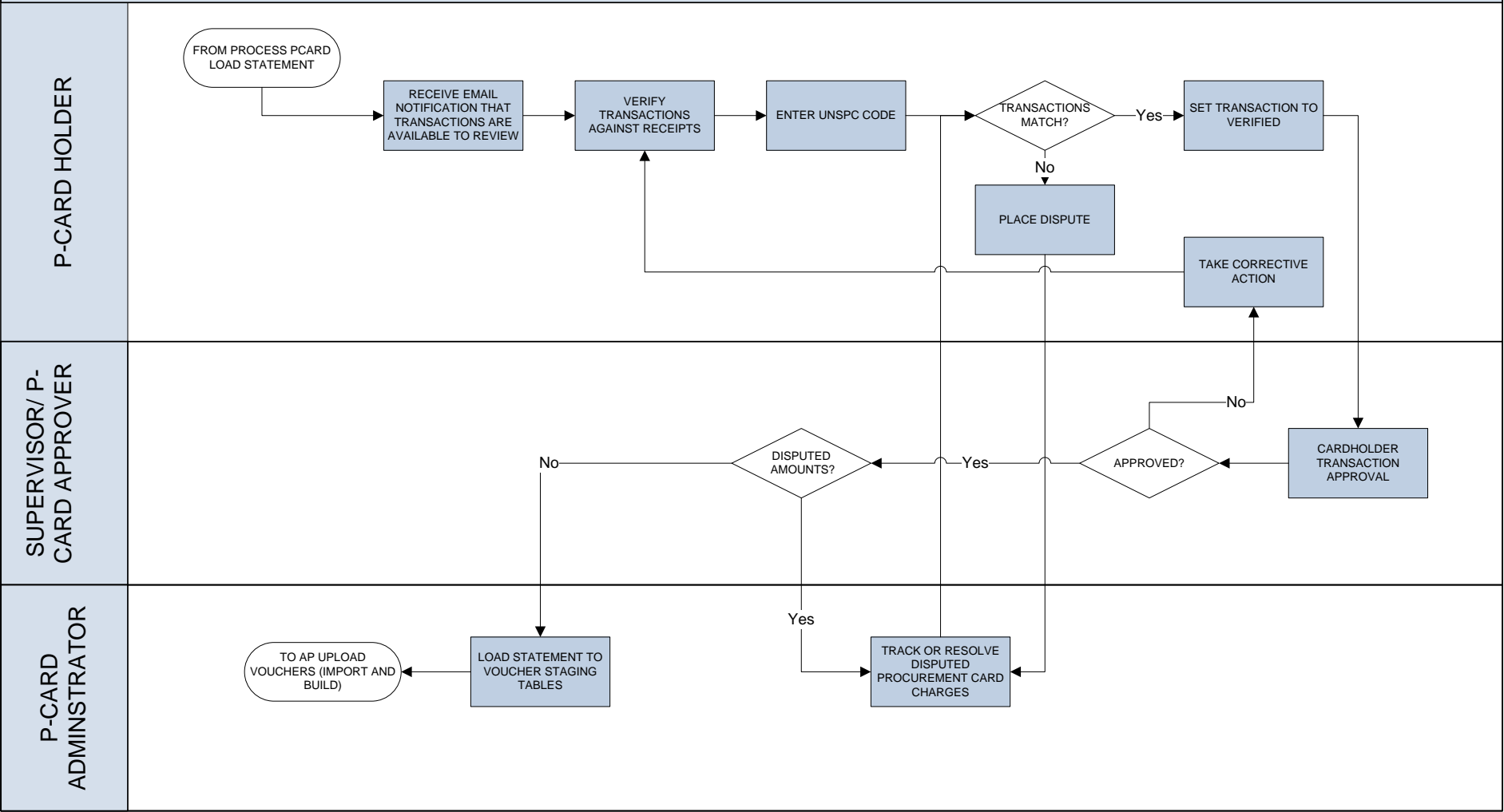
Process P-Card Transactions – Use P-Card

P-Card Holder

Some transactions may be orignate from requisitons

From PO2 Create Items – Create & Approve Requisitions

Obtain Item / Swipe Card → Obtain Receipts/ Documentation → PO Created? —No→ Process PCard Load Statement

PO Created? —Yes→

Buyer

Orders may be against an LPA

Create Direct Purchase Order/ Enter Card Information → Review/Update Line, Shipping, Funding Information → Add Comments / Attachment as required → Route PO for Workflow Approval per SRP and Departments Rules → Approved ?

Approved ? —No→ (back to Review/Update)

Approved ? —Yes→

End ←No— Budget Issue Resolved? ← Contact Budget Officer to resolve

Budget Issue Resolved? —Yes↓

Run Budget Process/ Encumbrance for PO → Pass Budget Check ? —Yes→ Dispatch PO → Receive Goods and Services

Pass Budget Check ? —No→ Contact Budget Officer to resolve

Process Procurement Card – Load Statement

Procurement Card Reconcile Transactions

P-CARD HOLDER

FROM PROCESS PCARD LOAD STATEMENT

RECEIVE EMAIL NOTIFICATION THAT TRANSACTIONS ARE AVAILABLE TO REVIEW

VERIFY TRANSACTIONS AGAINST RECEIPTS

ENTER UNSPC CODE

TRANSACTIONS MATCH? — Yes → SET TRANSACTION TO VERIFIED

No

PLACE DISPUTE

TAKE CORRECTIVE ACTION

SUPERVISOR/ P-CARD APPROVER

No — DISPUTED AMOUNTS? ← Yes — APPROVED? ← CARDHOLDER TRANSACTION APPROVAL

No

P-CARD ADMINSTRATOR

TO AP UPLOAD VOUCHERS (IMPORT AND BUILD)

LOAD STATEMENT TO VOUCHER STAGING TABLES

Yes

TRACK OR RESOLVE DISPUTED PROCUREMENT CARD CHARGES

Wave 1 Demonstration P-Card

Transaction Reconciliation

- Reconcile
  - ☐ Enter Procurement Information (Acquisition Type/Method, SB/DVBE, UNSPSC Code, Recycle Category, etc.)
  - ☐ Attach Receipt
  - ☐ Dispute a Charge
  - ☐ Split Line
  - ☐ Set to Verified
- Approve Transactions

Wave 1 Demonstration P-Card

Reconcile Statement

Procurement Card Transactions

☐ Run Budget Validation on Save

Bank Statement Personalize | Find | View All | 🔲 | 🏢 First ◀ 1-9 of 17 ▶ Last

| Transaction | Billing | |

		Employee Name	Card Issuer	Card Number	Trans Date	Merchant	*Status	Transaction Amount	Currency	
1	☑	Lad,Vikas	USBK1	***********2913	04/28/2005	APPLETON PAPERS INC.	Staged ▼	-2,101.16	USD	
2	☐	Lad,Vikas	USBK1	***********2913	04/28/2005	APPLETON PAPERS INC.	Staged ▼	-890.00	USD	
3	☐	Lad,Vikas	USBK1	***********2913	05/12/2005	APPLETON PAPERS INC.	Staged ▼	67,269.31	USD	
4	☐	Lad,Vikas	USBK1	***********2913	04/28/2005	APPLETON PAPERS INC.	Staged ▼	0.02	USD	
5	☐	Lad,Vikas	USBK1	***********2913	05/12/2005	APPLETON PAPERS INC.	Staged ▼	67,269.31	USD	
6	☐	Lad,Vikas	USBNK	***********2913	04/28/2005	APPLETON PAPERS INC.	Verified ▼	-2,101.16	USD	📑
7	☐	Lad,Vikas	USBNK	***********2913	05/12/2005	APPLETON PAPERS INC.	Verified ▼	67,269.31	USD	📑
8	☐	Lad,Vikas	USBNK	***********2913	04/28/2005	APPLETON PAPERS INC.	Verified ▼	-890.00	USD	📑
9	☐	Lad,Vikas	USBNK	***********2913	05/12/2005	APPLETON PAPERS INC.	Verified ▼	67,269.31	USD	📑

☑ Select All   ☐ Clear All   [Stage]   [Verify]   [Validate Budget]

Wave 1 Demonstration P-Card

Wave 1 Demonstration P-Card

Split Transaction

Line:	3		
Trans Date:	05/12/2005	Billing Amount:	67,269.31 USD
Posted Date:	05/15/2005	Reference:	
Merchant:	APPLETON PAPERS INC.		
Description:	90353588/90353621		

Split Rules

Personalize | Find | View All | | First ◄ 1-3 of

Description▼	Transaction Amount	Billing Amount	Percentage
90353588/90353621	67269.31	67,269.31	100.000000
90353588/90353621 - 2			
90353588/90353621 - 3			

OK   Cancel

Receiving Overview

- The Receive Goods and/or Services process records the receipt of goods and/or services by the State and verifies conformance to shipping documents and PO requirements

- Reject quantities, reject reason and disposition are recorded in the system for full traceability

- Full receipt or partial receipt(s) may be performed

- Receiving may be performed in dollars (amount) rather than quantity commonly used in Services POs

- This includes the following sub-processes:
  - ☐ **Create Receipt**
  - ☐ **Inspection**
  - ☐ **Create Return to Vendor (RTV)**

Receiving Key Terms

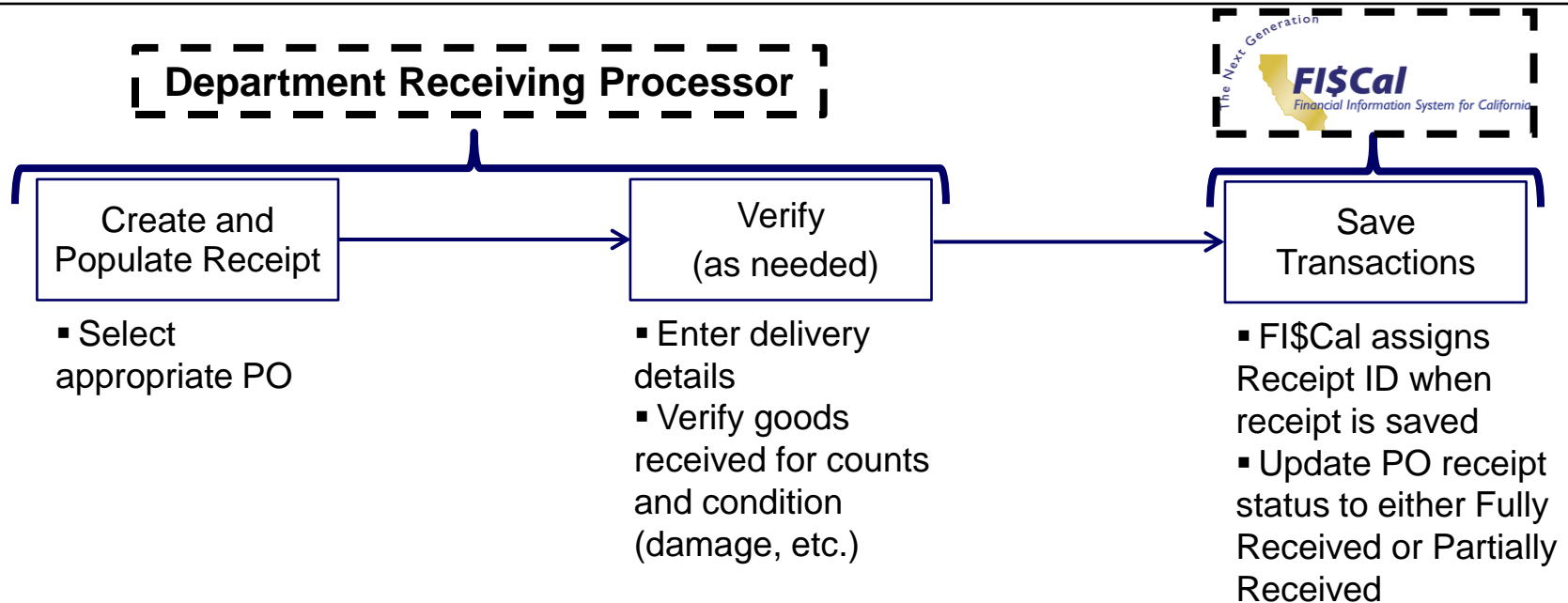| Term	Definition
Receiving	The act of taking possession of goods or services in order to stage them for inspection, place them into inventory, or deploy them for immediate use
Inspecting	The act of examining products that have been delivered to determine conformance to the purchase specifications. Performing required "acceptance testing" on goods or services received as a condition for authorizing payments for the purchase
Acceptance	Acknowledging that the products and/or services conform to the requirements of the PO so that the vendor may be paid
Return to Vendor (RTV)	The process of returning goods and/or services that have been received and subsequently found unacceptable

What is included in Receipts for Wave 1

- Receipts and RTVs will be entered in FI$Cal

- Asset Management will be integrated with receiving in FI$Cal

- Receiving/Inspection will be integrated with the Accounts Payable module of FI$Cal for automated matching between:
  - ☐ PO
  - ☐ Voucher
  - ☐ Receipt
  - ☐ Inspection

Added Receipt Functionality for Wave 2

- Added Functionality Implemented in Wave 2
  - Bar Code Scanning during Receiving
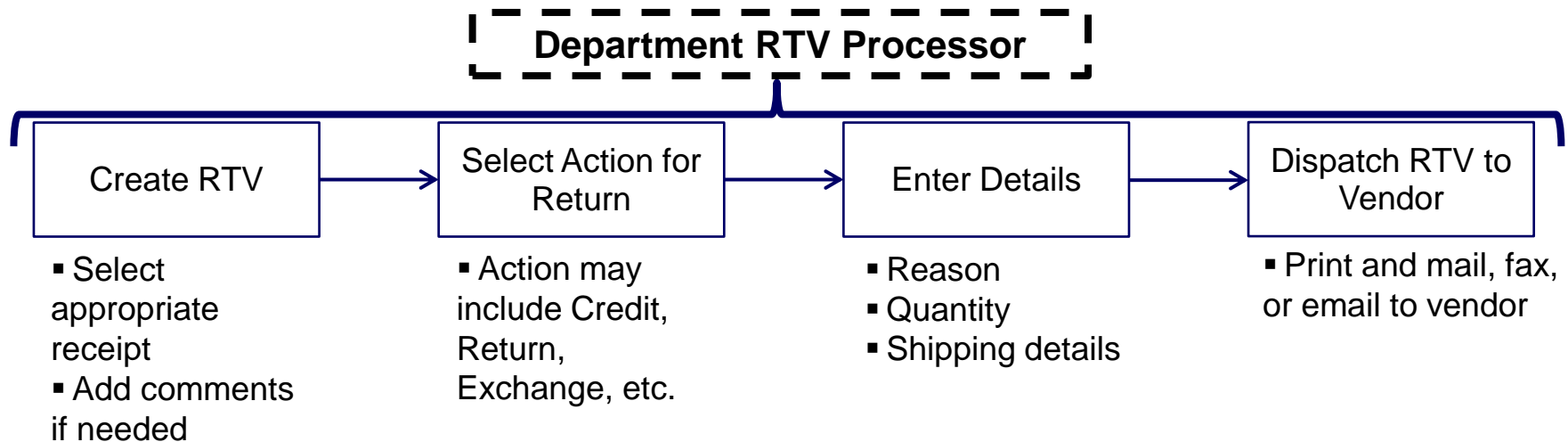- This features will not be part of the Wave 1 Solution Walkthrough

Create Receipt

Department Receiving Processor

FI$Cal
Financial Information System for California
The Next Generation

Create and Populate Receipt	Verify (as needed)	Save Transactions

- Select appropriate PO

- Enter delivery details
- Verify goods received for counts and condition (damage, etc.)

- FI$Cal assigns Receipt ID when receipt is saved
- Update PO receipt status to either Fully Received or Partially Received

Key Impacts

- Receipt delivery, accrual, summary, ship-to, and account details are captured in FI$Cal
- Blind receiving will be implemented
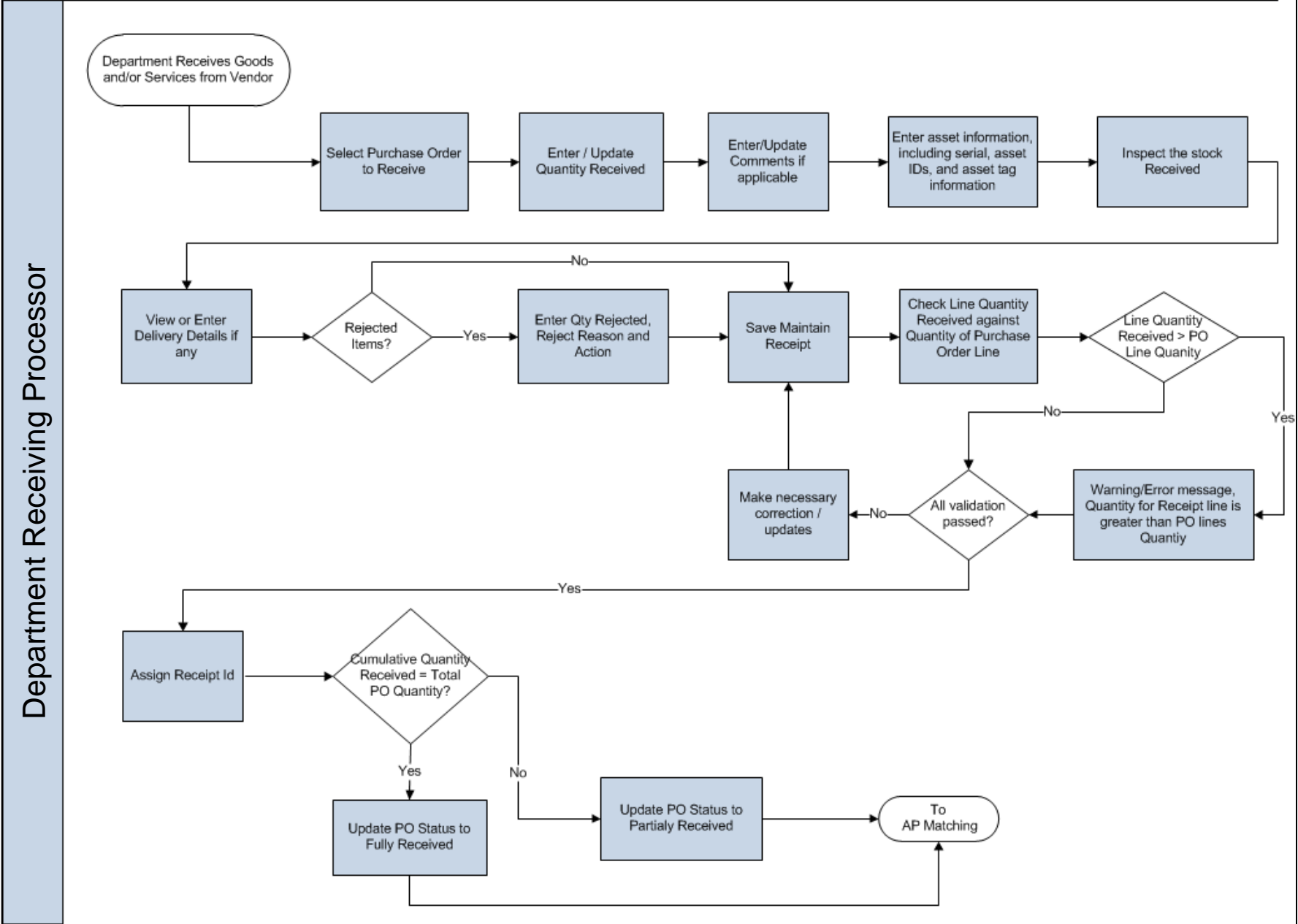- Automated update of PO status when goods/services are received

Create Return to Vendor (RTV)

Department RTV Processor

| Create RTV | Select Action for Return | Enter Details | Dispatch RTV to Vendor |

- Select appropriate receipt
- Add comments if needed

- Action may include Credit, Return, Exchange, etc.

- Reason
- Quantity
- Shipping details

- Print and mail, fax, or email to vendor

Key Impacts

- RTV instructions and reason codes are incorporated in creating an RTV
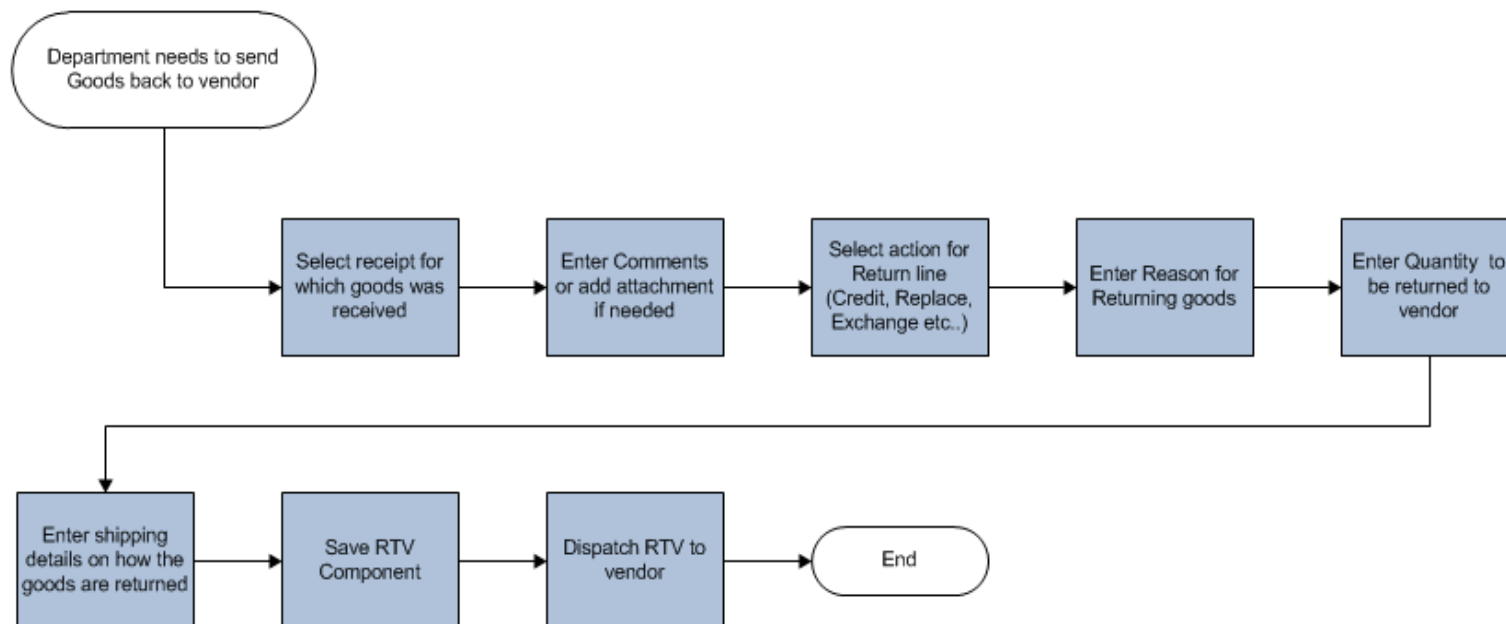- A query is available to view overshipments

Create and Manage Receipt

Department Receiving Processor

Department Receives Goods and/or Services from Vendor

→ Select Purchase Order to Receive → Enter / Update Quantity Received → Enter/Update Comments if applicable → Enter asset information, including serial, asset IDs, and asset tag information → Inspect the stock Received

View or Enter Delivery Details if any → Rejected Items? → Yes → Enter Qty Rejected, Reject Reason and Action → Save Maintain Receipt → Check Line Quantity Received against Quantity of Purchase Order Line → Line Quantity Received > PO Line Quanity

Rejected Items? → No → Save Maintain Receipt

Line Quantity Received > PO Line Quanity → Yes → Warning/Error message, Quantity for Receipt line is greater than PO lines Quantiy

Line Quantity Received > PO Line Quanity → No → All validation passed?

Warning/Error message, Quantity for Receipt line is greater than PO lines Quantiy → All validation passed?

All validation passed? → No → Make necessary correction / updates → Save Maintain Receipt

All validation passed? → Yes

Assign Receipt Id → Cumulative Quantity Received = Total PO Quantity?

Cumulative Quantity Received = Total PO Quantity? → Yes → Update PO Status to Fully Received

Cumulative Quantity Received = Total PO Quantity? → No → Update PO Status to Partialy Received → To AP Matching

Create and Dispatch RTV

Create and Dispatch RTV

Department RTV Processor

- Department needs to send Goods back to vendor
- Select receipt for which goods was received
- Enter Comments or add attachment if needed
- Select action for Return line (Credit, Replace, Exchange etc..)
- Enter Reason for Returning goods
- Enter Quantity to be returned to vendor
- Enter shipping details on how the goods are returned
- Save RTV Component
- Dispatch RTV to vendor
- End

Wave 1 Demonstration - Receipts

Receipt Transactions

- Full Receipt

- Partial Receipt

- Reject Damaged Goods

- Receive Amounts (Service Orders)

Wave 1 Demonstration – Main Receipts Page

Maintain Receipts

Receiving

Business Unit:	3980	**Receipt Status:**	Fully Received ❌
Receipt ID:	0000000124	Add Header Comments	Activities
	Header Details	Document Status	

▷ Header

Select Purchase Order   [Close Short All Lines]   [Print Delivery Report]   [Run PO Receipt Accrual]

Receipt Lines   Personalize | Find | View All | 🖼 | 🔳   First ◀ 1-2 of 2 ▶ Last

| Receipt Lines | More Details | Links and Status | Item / Mfg Data | Optional Input | Source Information | ▦ |

Line▲		Item	Description	Receipt Qty		*Recv UOM	Receipt Price	Accept Qty	Status	Category	Close Short	Serial	Device Track	Stock UOM	
1	📑	000000000000000001	Printing & Writing Papers - Le	2.0000	📋	EA	10.00000	2.0000	Received	14000000	☐	☐	☐	EA 🔍	✖
2	📑	000000000000000002	Printing & Writing Papers - 30	4.0000	📋	EA	10.00000	4.0000	Received	14000000	☐	☐	☐	EA 🔍	✖

☐ Interface Receipt   ☐ Run Close Short   Interface Asset Information

[💾 Save] [🔍 Return to Search] [⬆ Previous in List] [⬇ Next in List] [Notify] [🔄 Refresh]   [➕ Add] [Update/Display]

Wave 1 Demonstration - Receipts

Maintain Receipts

Asset Management Information for Line 1

Business Unit:	3980	**Status:**	Received
Receipt ID:	0000000116	**Item:**	good
Receipt Line:	1	**Standard UOM:**	EA

[Next Asset ID]

Distribution Information

Find | View All   First ◄ 1 of 1 ► Last

Distribution Line:	1	**Capitalize:**	Non Cap
Business Unit:	3980	**CAP Sequence:**	
Profile ID:	AGRI_EQUIP	**Employee ID:**	
CAP #:		**Distributed Quantity:**	2.0000
Cost Type:		**Merchandise Amount:**	20.00

Apply to Details

Select Action:	Assign Tag Ids	**Multiplier:**	1
Enter Starting Number:		***Start Row:**	1
	☐ Overwrite existing numbers		[Apply]

Asset Details

Personalize | Find | View All | 🔁 | 🔢   First ◄ 1 of 1 ► Last

[Asset Information] [More Details] (📖)

Dist Seq	AM Business Unit	Status	Quantity	Tag Number	Serial ID	Asset ID	Next Asset ID	Number	Profile ID
1	3980	Open	2.0000			NEXT	🖹		AGRI_EQUIP

New Functionality for Wave 2

- New Functionality – not part of Wave 1 Solution Walkthrough
  - ☐ Solicitation creation, processing and awards
  - ☐ LPA and Departmental Contracts in FI$Cal
  - ☐ Use of Item ID when ordering against an Leverage Procurement Agreement (LPA)
  - ☐ Document authoring and library of clauses and language
  - ☐ BidSync Replacement
    - SCPRS – Contracts and Procurement Reporting
    - CSCR – Posting of solicitations, progress payments, contractor ads, Awards in FI$Cal
    - Supplier Portal – public/vendor facing portal to access procurement information
    - SB/DVBE Bidder and Vendor Certification in FI$Cal

Technology Considerations – Interfaces

Interface	Definition
Outbound EDD Independent Contractor	This Outbound interface will list independent contractors with over $600 transactions from two sources - Dispatched PO and Voucher/Payments (currently reported using Form DE 542 for non-CALSTARS departments)

Technology Considerations – Conversions

Conversion	Definition
Open Purchase Orders	Purchase Orders in FI$Cal are the mechanism for encumbrance; therefore both Contract and Purchase Order encumbrance information will need to be converted • Purchase Orders or Contracts with funds encumbered in FY 14/15 and dispatched to the vendor, and • Goods and services not yet received and not yet paid • Convert only the balance/quantity of goods and services not yet received; not necessarily the entire Purchase Order or Contract
Vendor Conversion	Vendors utilized by Wave 1 departments were converted in the FI$Cal Vendor Management File (VMF)

Data Protection Overview

- FI$Cal will receive and retain various types of data that will need to be protected. All data can be classified as:
  - ☐ Public
  - ☐ Personally Identifiable Information
  - ☐ Sensitive
  - ☐ Confidential

- Various state agencies assisted FI$Cal in the development of a **Data Classification and Protection Framework**

Data Protection Overview

- All data that is received, retained, and transmitted by FI$Cal protected by:
    - ☐ Business Unit
    - ☐ Role Based Access
    - ☐ Encryption

- In addition, data classified as PII, sensitive, and confidential will receive the additional protection of:
    - ☐ Masked
    - ☐ Tracking when added, updated, deleted, and read
    - ☐ Role Based Access, such as Confidential User

Data Protection – Key Terms

Conversion	Definition
Public Information	Information maintained by state agencies that is not exempt from disclosure under the provisions of state or federal laws.
Confidential Information	Information maintained by state agencies that is **exempt from disclosure** under the provisions of state or federal laws.
Sensitive Information	Information maintained **by state agencies** that requires special precautions to protect from unauthorized use, access, disclosure, modification, loss, or deletion. Sensitive information may be either public or confidential.
Personally Identifiable Information	Information that identifies or describes an individual. This information must be protected from inappropriate access, use, or disclosure and must be made accessible to data subjects upon request.

Data Protection - Processes & Fields

Process Name	Field Description	FI$Cal Standard Protection Framework
		Public
Create and Approve Requisitions	Requisition ID	
Create and Approve Requisitions	Shipping Location	
Create and Approve Requisitions	Location ID	
Create and Approve Requisitions	Requestor	
Manage Purchase Orders	Buyer ID	
Manage Purchase Orders	PO Reference	
Manage Purchase Orders	Buyer ID	
Manage Purchase Orders	PO Date	
Manage Purchase Orders	PO Line Number	
Manage Purchase Orders	Category Code / UNSPSC	
Manage Purchase Orders	Line Description	
Manage Purchase Orders	Unit Price	
Manage Purchase Orders	Line Quantity	
Manage Purchase Orders	Unit of Measure	
Manage Purchase Orders	Vendor ID	
Manage Purchase Orders	Tax Exempt ID	
Manage Purchase Orders	Agency Billing Code	
Manage Purchase Orders	Acquisition Type for Purchase	
Manage Purchase Orders	Acquisition Sub-Type	
Manage Purchase Orders	Acquisition Method	
Manage Purchase Orders	Acquisition Sub-Method	
Create and Approve Requisitions	Requisition Date	
Create and Approve Requisitions	Requisition Line Number	
Process Procurement Card	Merchant ID	
Manage Purchase Orders	Attachments	

FI$Cal Standard Protection Framework

Standard Data Protection level For:

Confidential (Protected under the Public Records Act), Electronic Protected Health Information (e/PHI), Federal Tax Information, Notice Triggering Information, Payment Card Industry, Personally Identifiable Information (PII) and Sensitive Information, the following is the Standard Data Protection Level:

1. Mandates that Govern the Collection of this Field – State Administrative Manual (SAM).
2. Federal Tax Information Labeling – None.
3. FI$Cal Standard Protection Method(s):
   - Business Level Security.
   - Encryption.
   - Masked (SSN, TIN, and Payment Card).
   - Role Based.
4. FI$Cal Standard Actions to be Tracked:
   - Add, Delete, Update and Read.
5. FI$Cal Standard Data Retention: Average 7 Years. (No data disposal planned for FI$Cal currently).

Public

Confidential	PII	Sensitive

Procurement classified as Public with the exception of the fields highlighted to be Sensitive

Data Protection - Processes & Fields

Process Name	Field Description	
		Sensitive
ePro3 - Create and Approve Requisitions	Procurement Card Number	
ePro3 - Create and Approve Requisitions	Shipping Location	
ePro3 - Create and Approve Requisitions	Location ID	
ePro3 - Create and Approve Requisitions	Procurement Card Number	
ePro3 - Create and Approve Requisitions	Requestor	
PO2 - Manage Purchase Orders	Buyer ID	
PO2 - Manage Purchase Orders	Buyer ID	
PO2 - Manage Purchase Orders	Line Description	
PO4 - Process Procurement Card	Merchant ID	
PO2 - Manage Purchase Orders	Attachments	

FI$Cal Standard Protection Framework

Standard Data Protection level For:

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   - Business Level Security.
   - Encryption.
   - Masked (SSN, TIN, and Payment Card).
   - Role Based.
4. FI$Cal Standard Actions to be Tracked:
   - Add, Delete, Update and Read.
5. FI$Cal Standard Data Retention: Average 7 Years. (No data disposal planned for FI$Cal currently).

Public	Confidential	PII	Sensitive

Procurement classified as Public with the exception of the fields highlighted to be Sensitive

Data Protection – Next Steps

- FI$Cal is expecting this framework confirmed by Wave 1 departments will also meet the data protection requirements of Wave 2 departments

- Opportunity to request additional data protection in Wave 2 task TECH201: Review Data Classification and Protection Framework

Session Recap

- Key Considerations
    - <Discuss the key input/feedback provided during session>
- Future Action Items
    - <Review open items discussed during session >
- Action Items
    - <List action items discussed during session>
- Concerns
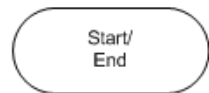   - <List concerns identified by FI$Cal team prior to CRP session>
    - <Review concerns discussed during session >

Question and Answer

FI$Cal Project Information:

http://www.fiscal.ca.gov/

or e-mail the FI$Cal Project Team at:
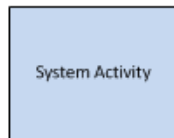
fiscal.cmo@fiscal.ca.gov

Appendix

Guide to Symbols in Flows

**Start/End -** Indicates point at which the process begins or ends. Does not represent any activity.

Start/End

Decision - shows a decision point, such as yes/no. Each path emerging from the diamond is labeled with one of the possible answers.

Decision

System Task - Represents an individual step or activity in FI$Cal.

System Activity

**Manual Task** - Represents an individual step or activity in the process that is made out of FI$Cal.

Manual
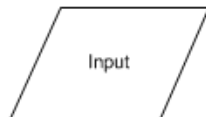
Input Documents – A paper document (or email) that is used for entering data in the process. For electronic data the Interface shape is used.

Input

A

Connector - On/Off-Page Connector. Used to avoid complex overlapping connector lines or to continue a process on a subsequent page. Connectors are labeled with UPPER CASE letters.

Interface

Interface – Data conversion from one electronic system to another.
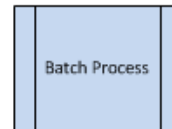
Batch Process - Represents a batch process within Fi$Cal.

Batch Process

Flow Arrow

Intra Integration Process

Intra Integration Process - A input or Output to some other process within the same capability
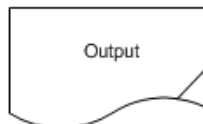
Output

Output Documents - An electronic document that is created by the process and can be printed (for example – any kind of report).

ChartField / UCM Codes Cross-reference

Legacy

| Organization Codes | | Index | Fund | Subfund | Program | Element | Component | Task | Project |
| Level 1 | All Other | | | | | | | | |

FI$CAL

| Business Unit ₄ | Reporting Structure ₈ | Fund _{4/9} | Program ₁₀ | Project ₁₅ |

| Service Location ₅ | Agency Use ₁₀ | Statistics Code ₃ | Budget Period ₄ |

| Account ₇ | Alternate Account ₁₀ | Appropriation Reference _{3/4} | Enactment Year ₄ |

Legacy

| Object Code | Receipt Code | GL Code | Agency Source | Agency Object | Appropriation Reference | Year of Enactment |